
SUBSTITUTE HOUSE BILL 1210

State of Washington

67th Legislature

2021 Regular Session

By House Commerce & Gaming (originally sponsored by Representatives Morgan, Peterson, Kloba, J. Johnson, Ryu, Santos, Ortiz-Self, Ormsby, Simmons, Gregerson, Riccelli, Macri, Frame, and Harris-Talley)

READ FIRST TIME 02/02/21.

1 AN ACT Relating to replacing the term "marijuana" with the term
2 "cannabis" throughout the Revised Code of Washington; amending RCW
3 9.01.210, 9.94.041, 9.94A.518, 9.94A.650, 9.96.060, 13.40.0357,
4 15.13.270, 15.13.270, 15.17.020, 15.49.061, 15.125.010, 15.125.020,
5 15.125.030, 15.125.040, 15.125.050, 15.140.020, 15.140.100,
6 15.140.120, 18.170.020, 19.02.110, 20.01.030, 28A.210.325,
7 28B.20.502, 38.38.762, 42.56.270, 42.56.620, 42.56.625, 42.56.630,
8 43.05.160, 43.06.490, 43.06.520, 43.21A.735, 43.330.540, 46.20.308,
9 46.25.120, 46.61.502, 46.61.503, 46.61.504, 46.61.50571, 46.61.5249,
10 46.61.745, 66.08.050, 69.04.480, 69.07.020, 69.07.200, 69.50.101,
11 69.50.102, 69.50.204, 69.50.325, 69.50.326, 69.50.327, 69.50.328,
12 69.50.331, 69.50.334, 69.50.335, 69.50.336, 69.50.339, 69.50.342,
13 69.50.345, 69.50.346, 69.50.348, 69.50.348, 69.50.351, 69.50.354,
14 69.50.363, 69.50.366, 69.50.369, 69.50.375, 69.50.378, 69.50.380,
15 69.50.382, 69.50.385, 69.50.390, 69.50.395, 69.50.401, 69.50.4013,
16 69.50.4014, 69.50.408, 69.50.410, 69.50.412, 69.50.4121, 69.50.435,
17 69.50.445, 69.50.450, 69.50.465, 69.50.475, 69.50.505, 69.50.515,
18 69.50.530, 69.50.535, 69.50.550, 69.50.555, 69.50.560, 69.50.562,
19 69.50.563, 69.50.564, 69.50.570, 69.50.575, 69.50.580, 69.51.020,
20 69.51.030, 69.51.060, 69.51A.005, 69.51A.010, 69.51A.030, 69.51A.040,
21 69.51A.043, 69.51A.045, 69.51A.050, 69.51A.060, 69.51A.100,
22 69.51A.210, 69.51A.220, 69.51A.225, 69.51A.240, 69.51A.250,
23 69.51A.260, 69.51A.270, 69.51A.290, 69.51A.300, 69.51A.310,

1 79A.60.040, 82.02.010, 82.04.100, 82.04.213, 82.04.260, 82.04.331,
2 82.04.4266, 82.04.756, 82.08.010, 82.08.020, 82.08.02565, 82.08.0257,
3 82.08.0273, 82.08.02745, 82.08.0281, 82.08.0288, 82.08.0293,
4 82.08.820, 82.08.9997, 82.08.9998, 82.12.02565, 82.12.0258,
5 82.12.0283, 82.12.9997, 82.12.9998, 82.14.430, 82.16.050, 82.25.005,
6 82.29A.020, 82.84.030, 84.34.410, and 84.40.030; reenacting and
7 amending RCW 69.07.010, 69.50.101, 69.50.345, 69.50.357, 69.50.360,
8 69.50.372, 69.50.540, 69.51A.010, 69.51A.230, and 70.345.010; adding
9 a new section to chapter 46.04 RCW; adding new sections to chapter
10 69.50 RCW; creating a new section; providing effective dates; and
11 providing expiration dates.

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

13 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
14 make technical changes to replace the term "marijuana" with
15 "cannabis" throughout the Revised Code of Washington. The legislature
16 finds that the use of the term "marijuana" in the United States has
17 discriminatory origins and should be replaced with the more
18 scientifically accurate term "cannabis." This act is technical in
19 nature and no substantive legal changes are intended or implied.

20 **Sec. 2.** RCW 9.01.210 and 2018 c 68 s 1 are each amended to read
21 as follows:

22 (1) A person or entity that receives deposits, extends credit,
23 conducts funds transfers, transports cash or financial instruments on
24 behalf of a financial institution, or provides other financial
25 services for a ((marijuana)) cannabis producer, ((marijuana))
26 cannabis processor, or ((marijuana)) cannabis retailer authorized
27 under chapter 69.50 RCW or for a qualifying patient, health care
28 professional, or designated provider authorized under chapter 69.51A
29 RCW, does not commit a crime under any Washington law solely by
30 virtue of receiving deposits, extending credit, conducting funds
31 transfers, transporting cash or other financial instruments, or
32 providing other financial services for the person.

33 (2) For the purposes of this section((,—"person")):

34 (a) "Cannabis" has the meaning provided in RCW 69.50.101; and

35 (b) "Person or entity" means a financial institution as defined
36 in RCW 30A.22.040, an armored car service operating under a permit
37 issued by the utilities and transportation commission that has been

1 contracted by a financial institution, or a person providing
2 financial services pursuant to a license issued under chapter 18.44,
3 19.230, or 31.04 RCW.

4 (3) A certified public accountant or certified public accounting
5 firm, which practices public accounting as defined in RCW 18.04.025,
6 does not commit a crime solely for providing professional accounting
7 services as specified in RCW 18.04.025 for a ((~~marijuana~~)) cannabis
8 producer, ((~~marijuana~~)) cannabis processor, or ((~~marijuana~~)) cannabis
9 retailer authorized under chapter 69.50 RCW.

10 **Sec. 3.** RCW 9.94.041 and 2016 c 199 s 1 are each amended to read
11 as follows:

12 (1) Every person serving a sentence in any state correctional
13 institution who, without legal authorization, while in the
14 institution or while being conveyed to or from the institution, or
15 while under the custody or supervision of institution officials,
16 officers, or employees, or while on any premises subject to the
17 control of the institution, knowingly possesses or carries upon his
18 or her person or has under his or her control any narcotic drug or
19 controlled substance, as defined in chapter 69.50 RCW, alcohol,
20 ((~~marijuana~~)) cannabis, or other intoxicant, or a cell phone or other
21 form of an electronic telecommunications device, is guilty of a class
22 C felony.

23 (2) Every person confined in a county or local correctional
24 institution who, without legal authorization, while in the
25 institution or while being conveyed to or from the institution, or
26 while under the custody or supervision of institution officials,
27 officers, or employees, or while on any premises subject to the
28 control of the institution, knowingly possesses or has under his or
29 her control any narcotic drug or controlled substance, as defined in
30 chapter 69.50 RCW, alcohol, ((~~marijuana~~)) cannabis, or other
31 intoxicant, or a cell phone or other form of an electronic
32 telecommunications device, is guilty of a class C felony.

33 (3) The sentence imposed under this section shall be in addition
34 to any sentence being served.

35 (4) For the purposes of this section, "cannabis" has the meaning
36 provided in RCW 69.50.101.

37 **Sec. 4.** RCW 9.94A.518 and 2003 c 53 s 57 are each amended to
38 read as follows:

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TABLE 4
DRUG OFFENSES
INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- III Any felony offense under chapter 69.50 RCW with a deadly weapon special verdict under RCW ~~((9.94A.602))~~ 9.94A.825
- Controlled Substance Homicide (RCW 69.50.415)
- Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))
- Involving a minor in drug dealing (RCW 69.50.4015)
- Manufacture of methamphetamine (RCW 69.50.401(2)(b))
- Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)
- Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)
- Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)

- 1 Selling for profit (controlled or
2 counterfeit) any controlled
3 substance (RCW 69.50.410)
- 4 II Create, deliver, or possess a counterfeit
5 controlled substance (RCW
6 69.50.4011)
- 7 Deliver or possess with intent to
8 deliver methamphetamine (RCW
9 69.50.401(2)(b))
- 10 Delivery of a material in lieu of a
11 controlled substance (RCW
12 69.50.4012)
- 13 Maintaining a Dwelling or Place for
14 Controlled Substances (RCW
15 69.50.402(1)(f))
- 16 Manufacture, deliver, or possess with
17 intent to deliver amphetamine
18 (RCW 69.50.401(2)(b))
- 19 Manufacture, deliver, or possess with
20 intent to deliver narcotics from
21 Schedule I or II or flunitrazepam
22 from Schedule IV (RCW
23 69.50.401(2)(a))
- 24 Manufacture, deliver, or possess with
25 intent to deliver narcotics from
26 Schedule III, IV, or V or
27 nonnarcotics from Schedule I-V
28 (except (~~marijuana~~) cannabis as
29 defined in RCW 69.50.101,
30 amphetamine, methamphetamines,
31 or flunitrazepam) (RCW
32 69.50.401(2) (c) through (e))
- 33 Manufacture, distribute, or possess
34 with intent to distribute an
35 imitation controlled substance
36 (RCW 69.52.030(1))
- 37 I Forged Prescription (RCW 69.41.020)

1 Forged Prescription for a Controlled
2 Substance (RCW 69.50.403)

3 Manufacture, deliver, or possess with
4 intent to deliver (~~marijuana~~)
5 cannabis as defined in RCW
6 69.50.101 (RCW 69.50.401(2)(c))

7 Possess Controlled Substance that is a
8 Narcotic from Schedule III, IV, or
9 V or Nonnarcotic from Schedule I-
10 V (RCW 69.50.4013)

11 Possession of Controlled Substance
12 that is either heroin or narcotics
13 from Schedule I or II (RCW
14 69.50.4013)

15 Unlawful Use of Building for Drug
16 Purposes (RCW 69.53.010)

17 **Sec. 5.** RCW 9.94A.650 and 2011 1st sp.s. c 40 s 9 are each
18 amended to read as follows:

19 (1) This section applies to offenders who have never been
20 previously convicted of a felony in this state, federal court, or
21 another state, and who have never participated in a program of
22 deferred prosecution for a felony, and who are convicted of a felony
23 that is not:

24 (a) Classified as a violent offense or a sex offense under this
25 chapter;

26 (b) Manufacture, delivery, or possession with intent to
27 manufacture or deliver a controlled substance classified in Schedule
28 I or II that is a narcotic drug or flunitrazepam classified in
29 Schedule IV;

30 (c) Manufacture, delivery, or possession with intent to deliver a
31 methamphetamine, its salts, isomers, and salts of its isomers as
32 defined in RCW 69.50.206(d) (2);

33 (d) The selling for profit of any controlled substance or
34 counterfeit substance classified in Schedule I, RCW 69.50.204, except
35 leaves and flowering tops of (~~marijuana~~) cannabis; or

36 (e) Felony driving while under the influence of intoxicating
37 liquor or any drug or felony physical control of a vehicle while
38 under the influence of intoxicating liquor or any drug.

1 (2) In sentencing a first-time offender the court may waive the
2 imposition of a sentence within the standard sentence range and
3 impose a sentence which may include up to ninety days of confinement
4 in a facility operated or utilized under contract by the county and a
5 requirement that the offender refrain from committing new offenses.

6 (3) The court may impose up to six months of community custody
7 unless treatment is ordered, in which case the period of community
8 custody may include up to the period of treatment, but shall not
9 exceed one year.

10 (4) As a condition of community custody, in addition to any
11 conditions authorized in RCW 9.94A.703, the court may order the
12 offender to pay all court-ordered legal financial obligations and/or
13 perform community restitution work.

14 (5) For the purposes of this section, "cannabis" has the meaning
15 provided in RCW 69.50.101.

16 **Sec. 6.** RCW 9.96.060 and 2020 c 29 s 18 are each amended to read
17 as follows:

18 (1) When vacating a conviction under this section, the court
19 effectuates the vacation by: (a)(i) Permitting the applicant to
20 withdraw the applicant's plea of guilty and to enter a plea of not
21 guilty; or (ii) if the applicant has been convicted after a plea of
22 not guilty, the court setting aside the verdict of guilty; and (b)
23 the court dismissing the information, indictment, complaint, or
24 citation against the applicant and vacating the judgment and
25 sentence.

26 (2) Every person convicted of a misdemeanor or gross misdemeanor
27 offense may apply to the sentencing court for a vacation of the
28 applicant's record of conviction for the offense. If the court finds
29 the applicant meets the requirements of this subsection, the court
30 may in its discretion vacate the record of conviction. Except as
31 provided in subsections (3), (4), and (5) of this section, an
32 applicant may not have the record of conviction for a misdemeanor or
33 gross misdemeanor offense vacated if any one of the following is
34 present:

35 (a) The applicant has not completed all of the terms of the
36 sentence for the offense;

37 (b) There are any criminal charges against the applicant pending
38 in any court of this state or another state, or in any federal or
39 tribal court, at the time of application;

1 (c) The offense was a violent offense as defined in RCW 9.94A.030
2 or an attempt to commit a violent offense;

3 (d) The offense was a violation of RCW 46.61.502 (driving while
4 under the influence), 46.61.504 (actual physical control while under
5 the influence), 9.91.020 (operating a railroad, etc. while
6 intoxicated), or the offense is considered a "prior offense" under
7 RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug
8 violation within ten years of the date of arrest for the prior
9 offense or less than ten years has elapsed since the date of the
10 arrest for the prior offense;

11 (e) The offense was any misdemeanor or gross misdemeanor
12 violation, including attempt, of chapter 9.68 RCW (obscenity and
13 pornography), chapter 9.68A RCW (sexual exploitation of children), or
14 chapter 9A.44 RCW (sex offenses), except for failure to register as a
15 sex offender under RCW 9A.44.132;

16 (f) The applicant was convicted of a misdemeanor or gross
17 misdemeanor offense as defined in RCW 10.99.020, or the court
18 determines after a review of the court file that the offense was
19 committed by one family or household member against another or by one
20 intimate partner against another, or the court, after considering the
21 damage to person or property that resulted in the conviction, any
22 prior convictions for crimes defined in RCW 10.99.020, or for
23 comparable offenses in another state or in federal court, and the
24 totality of the records under review by the court regarding the
25 conviction being considered for vacation, determines that the offense
26 involved domestic violence, and any one of the following factors
27 exist:

28 (i) The applicant has not provided written notification of the
29 vacation petition to the prosecuting attorney's office that
30 prosecuted the offense for which vacation is sought, or has not
31 provided that notification to the court;

32 (ii) The applicant has two or more domestic violence convictions
33 stemming from different incidents. For purposes of this subsection,
34 however, if the current application is for more than one conviction
35 that arose out of a single incident, none of those convictions counts
36 as a previous conviction;

37 (iii) The applicant has signed an affidavit under penalty of
38 perjury affirming that the applicant has not previously had a
39 conviction for a domestic violence offense, and a criminal history
40 check reveals that the applicant has had such a conviction; or

1 (iv) Less than five years have elapsed since the person completed
2 the terms of the original conditions of the sentence, including any
3 financial obligations and successful completion of any treatment
4 ordered as a condition of sentencing;

5 (g) For any offense other than those described in (f) of this
6 subsection, less than three years have passed since the person
7 completed the terms of the sentence, including any financial
8 obligations;

9 (h) The offender has been convicted of a new crime in this state,
10 another state, or federal or tribal court in the three years prior to
11 the vacation application; or

12 (i) The applicant is currently restrained by a domestic violence
13 protection order, a no-contact order, an antiharassment order, or a
14 civil restraining order which restrains one party from contacting the
15 other party or was previously restrained by such an order and was
16 found to have committed one or more violations of the order in the
17 five years prior to the vacation application.

18 (3) Subject to RCW 9.96.070, every person convicted of
19 prostitution under RCW 9A.88.030 who committed the offense as a
20 result of being a victim of trafficking, RCW 9A.40.100, promoting
21 prostitution in the first degree, RCW 9A.88.070, promoting commercial
22 sexual abuse of a minor, RCW 9.68A.101, or trafficking in persons
23 under the trafficking victims protection act of 2000, 22 U.S.C. Sec.
24 7101 et seq. may apply to the sentencing court for vacation of the
25 applicant's record of conviction for the prostitution offense. An
26 applicant may not have the record of conviction for prostitution
27 vacated if any one of the following is present:

28 (a) There are any criminal charges against the applicant pending
29 in any court of this state or another state, or in any federal court,
30 for any crime other than prostitution; or

31 (b) The offender has been convicted of another crime, except
32 prostitution, in this state, another state, or federal court since
33 the date of conviction. The limitation in this subsection (3)(b) does
34 not apply to convictions where the offender proves by a preponderance
35 of the evidence that he or she committed the crime as a result of
36 being a victim of trafficking, RCW 9A.40.100, promoting prostitution
37 in the first degree, RCW 9A.88.070, promoting commercial sexual abuse
38 of a minor, RCW 9.68A.101, or trafficking in persons under the
39 trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et

1 seq., according to the requirements provided in RCW 9.96.070 for each
2 respective conviction.

3 (4) Every person convicted prior to January 1, 1975, of violating
4 any statute or rule regarding the regulation of fishing activities,
5 including, but not limited to, RCW 75.08.260, 75.12.060, 75.12.070,
6 75.12.160, 77.16.020, 77.16.030, 77.16.040, 77.16.060, and 77.16.240
7 who claimed to be exercising a treaty Indian fishing right, may apply
8 to the sentencing court for vacation of the applicant's record of the
9 misdemeanor, gross misdemeanor, or felony conviction for the offense.
10 If the person is deceased, a member of the person's family or an
11 official representative of the tribe of which the person was a member
12 may apply to the court on behalf of the deceased person.
13 Notwithstanding the requirements of RCW 9.94A.640, the court shall
14 vacate the record of conviction if:

15 (a) The applicant is a member of a tribe that may exercise treaty
16 Indian fishing rights at the location where the offense occurred; and

17 (b) The state has been enjoined from taking enforcement action of
18 the statute or rule to the extent that it interferes with a treaty
19 Indian fishing right as determined under *United States v. Washington*,
20 384 F. Supp. 312 (W.D. Wash. 1974), or *Sohappy v. Smith*, 302 F. Supp.
21 899 (D. Oregon 1969), and any posttrial orders of those courts, or
22 any other state supreme court or federal court decision.

23 (5) Every person convicted of a misdemeanor (~~(marijuana)~~)
24 cannabis offense, who was twenty-one years of age or older at the
25 time of the offense, may apply to the sentencing court for a vacation
26 of the applicant's record of conviction for the offense. A
27 misdemeanor (~~(marijuana)~~) cannabis offense includes, but is not
28 limited to: Any offense under RCW 69.50.4014, from July 1, 2004,
29 onward, and its predecessor statutes, including RCW 69.50.401(e),
30 from March 21, 1979, to July 1, 2004, and RCW 69.50.401(d), from May
31 21, 1971, to March 21, 1979, and any offense under an equivalent
32 municipal ordinance. If an applicant qualifies under this subsection,
33 the court shall vacate the record of conviction.

34 (6)(a) Except as provided in (c) of this subsection, once the
35 court vacates a record of conviction under this section, the person
36 shall be released from all penalties and disabilities resulting from
37 the offense and the fact that the person has been convicted of the
38 offense shall not be included in the person's criminal history for
39 purposes of determining a sentence in any subsequent conviction. For
40 all purposes, including responding to questions on employment or

1 housing applications, a person whose conviction has been vacated
2 under this section may state that he or she has never been convicted
3 of that crime. However, nothing in this section affects the
4 requirements for restoring a right to possess a firearm under RCW
5 9.41.040. Except as provided in (b) of this subsection, nothing in
6 this section affects or prevents the use of an offender's prior
7 conviction in a later criminal prosecution.

8 (b) When a court vacates a record of domestic violence as defined
9 in RCW 10.99.020 under this section, the state may not use the
10 vacated conviction in a later criminal prosecution unless the
11 conviction was for: (i) Violating the provisions of a restraining
12 order, no-contact order, or protection order restraining or enjoining
13 the person or restraining the person from going on to the grounds of
14 or entering a residence, workplace, school, or day care, or
15 prohibiting the person from knowingly coming within, or knowingly
16 remaining within, a specified distance of a location (RCW 10.99.040,
17 10.99.050, 26.09.300, 26.10.220, 26.26B.050, 26.44.063, 26.44.150,
18 26.50.060, 26.50.070, 26.50.130, 26.52.070, or 74.34.145); or (ii)
19 stalking (RCW 9A.46.110). A vacated conviction under this section is
20 not considered a conviction of such an offense for the purposes of 27
21 C.F.R. 478.11.

22 (c) A conviction vacated on or after July 28, 2019, qualifies as
23 a prior conviction for the purpose of charging a present recidivist
24 offense as defined in RCW 9.94A.030 occurring on or after July 28,
25 2019.

26 (7) The clerk of the court in which the vacation order is entered
27 shall immediately transmit the order vacating the conviction to the
28 Washington state patrol identification section and to the local
29 police agency, if any, which holds criminal history information for
30 the person who is the subject of the conviction. The Washington state
31 patrol and any such local police agency shall immediately update
32 their records to reflect the vacation of the conviction, and shall
33 transmit the order vacating the conviction to the federal bureau of
34 investigation. A conviction that has been vacated under this section
35 may not be disseminated or disclosed by the state patrol or local law
36 enforcement agency to any person, except other criminal justice
37 enforcement agencies.

38 (8) For the purposes of this section, "cannabis" has the meaning
39 provided in RCW 69.50.101.

1 **Sec. 7.** RCW 13.40.0357 and 2020 c 18 s 8 are each amended to
2 read as follows:

3 **DESCRIPTION AND OFFENSE CATEGORY**

4 JUVENILE DISPOSITION
5 JUVENILE CATEGORY FOR
6 DISPOSITION ATTEMPT, BAILJUMP,
7 OFFENSE CONSPIRACY, OR
8 CATEGORY DESCRIPTION (RCW CITATION) SOLICITATION

9 **Arson and Malicious Mischief**

10 A Arson 1 (9A.48.020) B+
11 B Arson 2 (9A.48.030) C
12 C Reckless Burning 1 (9A.48.040) D
13 D Reckless Burning 2 (9A.48.050) E
14 B Malicious Mischief 1 (9A.48.070) C
15 C Malicious Mischief 2 (9A.48.080) D
16 D Malicious Mischief 3 (9A.48.090) E
17 E Tampering with Fire Alarm Apparatus E
18 (9.40.100)
19 E Tampering with Fire Alarm Apparatus E
20 with Intent to Commit Arson (9.40.105)
21 A Possession of Incendiary Device B+
22 (9.40.120)

23 **Assault and Other Crimes Involving**
24 **Physical Harm**

25 A Assault 1 (9A.36.011) B+
26 B+ Assault 2 (9A.36.021) C+
27 C+ Assault 3 (9A.36.031) D+
28 D+ Assault 4 (9A.36.041) E
29 B+ Drive-By Shooting (9A.36.045) C+
30 committed at age 15 or under
31 A++ Drive-By Shooting (9A.36.045) A
32 committed at age 16 or 17
33 D+ Reckless Endangerment (9A.36.050) E
34 C+ Promoting Suicide Attempt (9A.36.060) D+
35 D+ Coercion (9A.36.070) E
36 C+ Custodial Assault (9A.36.100) D+

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| 1 | | Burglary and Trespass | |
| 2 | B+ | Burglary 1 (9A.52.020) committed at | C+ |
| 3 | | age 15 or under | |
| 4 | A- | Burglary 1 (9A.52.020) committed at | B+ |
| 5 | | age 16 or 17 | |
| 6 | B | Residential Burglary (9A.52.025) | C |
| 7 | B | Burglary 2 (9A.52.030) | C |
| 8 | D | Burglary Tools (Possession of) | E |
| 9 | | (9A.52.060) | |
| 10 | D | Criminal Trespass 1 (9A.52.070) | E |
| 11 | E | Criminal Trespass 2 (9A.52.080) | E |
| 12 | C | Mineral Trespass (78.44.330) | C |
| 13 | C | Vehicle Prowling 1 (9A.52.095) | D |
| 14 | D | Vehicle Prowling 2 (9A.52.100) | E |
| 15 | | Drugs | |
| 16 | E | Possession/Consumption of Alcohol | E |
| 17 | | (66.44.270) | |
| 18 | C | Illegally Obtaining Legend Drug | D |
| 19 | | (69.41.020) | |
| 20 | C+ | Sale, Delivery, Possession of Legend | D+ |
| 21 | | Drug with Intent to Sell (69.41.030(2)(a)) | |
| 22 | E | Possession of Legend | E |
| 23 | | Drug (69.41.030(2)(b)) | |
| 24 | B+ | Violation of Uniform Controlled | B+ |
| 25 | | Substances Act - Narcotic, | |
| 26 | | Methamphetamine, or Flunitrazepam | |
| 27 | | Sale (69.50.401(2) (a) or (b)) | |
| 28 | C | Violation of Uniform Controlled | C |
| 29 | | Substances Act - Nonnarcotic Sale | |
| 30 | | (69.50.401(2)(c)) | |
| 31 | E | Possession of ((Marijuana)) <u>Cannabis</u> | E |
| 32 | | <40 grams (69.50.4014) | |
| 33 | C | Fraudulently Obtaining Controlled | C |
| 34 | | Substance (69.50.403) | |
| 35 | C+ | Sale of Controlled Substance for Profit | C+ |
| 36 | | (69.50.410) | |
| 37 | E | Unlawful Inhalation (9.47A.020) | E |

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|----|----|---|----|
| 1 | B | Violation of Uniform Controlled | B |
| 2 | | Substances Act - Narcotic, | |
| 3 | | Methamphetamine, or Flunitrazepam | |
| 4 | | Counterfeit Substances (69.50.4011(2) | |
| 5 | | (a) or (b)) | |
| 6 | C | Violation of Uniform Controlled | C |
| 7 | | Substances Act - Nonnarcotic Counterfeit | |
| 8 | | Substances (69.50.4011(2) (c), (d), or (e)) | |
| 9 | C | Violation of Uniform Controlled | C |
| 10 | | Substances Act - Possession of a | |
| 11 | | Controlled Substance (69.50.4013) | |
| 12 | C | Violation of Uniform Controlled | C |
| 13 | | Substances Act - Possession of a | |
| 14 | | Controlled Substance (69.50.4012) | |
| 15 | | Firearms and Weapons | |
| 16 | B | Theft of Firearm (9A.56.300) | C |
| 17 | B | Possession of Stolen Firearm | C |
| 18 | | (9A.56.310) | |
| 19 | E | Carrying Loaded Pistol Without Permit | E |
| 20 | | (9.41.050) | |
| 21 | C | Possession of Firearms by Minor (<18) | C |
| 22 | | (9.41.040(2)(a) (vi)) | |
| 23 | D+ | Possession of Dangerous Weapon | E |
| 24 | | (9.41.250) | |
| 25 | D | Intimidating Another Person by use of | E |
| 26 | | Weapon (9.41.270) | |
| 27 | | Homicide | |
| 28 | A+ | Murder 1 (9A.32.030) | A |
| 29 | A+ | Murder 2 (9A.32.050) | B+ |
| 30 | B+ | Manslaughter 1 (9A.32.060) | C+ |
| 31 | C+ | Manslaughter 2 (9A.32.070) | D+ |
| 32 | B+ | Vehicular Homicide (46.61.520) | C+ |
| 33 | | Kidnapping | |
| 34 | A | Kidnap 1 (9A.40.020) | B+ |
| 35 | B+ | Kidnap 2 (9A.40.030) | C+ |
| 36 | C+ | Unlawful Imprisonment (9A.40.040) | D+ |
| 37 | | Obstructing Governmental Operation | |

| | | | |
|----|-----|--|----|
| 1 | D | Obstructing a Law Enforcement Officer | E |
| 2 | | (9A.76.020) | |
| 3 | E | Resisting Arrest (9A.76.040) | E |
| 4 | B | Introducing Contraband 1 (9A.76.140) | C |
| 5 | C | Introducing Contraband 2 (9A.76.150) | D |
| 6 | E | Introducing Contraband 3 (9A.76.160) | E |
| 7 | B+ | Intimidating a Public Servant | C+ |
| 8 | | (9A.76.180) | |
| 9 | B+ | Intimidating a Witness (9A.72.110) | C+ |
| 10 | | Public Disturbance | |
| 11 | C+ | Criminal Mischief with Weapon | D+ |
| 12 | | (9A.84.010(2)(b)) | |
| 13 | D+ | Criminal Mischief Without Weapon | E |
| 14 | | (9A.84.010(2)(a)) | |
| 15 | E | Failure to Disperse (9A.84.020) | E |
| 16 | E | Disorderly Conduct (9A.84.030) | E |
| 17 | | Sex Crimes | |
| 18 | A | Rape 1 (9A.44.040) | B+ |
| 19 | B++ | Rape 2 (9A.44.050) committed at age 14 | B+ |
| 20 | | or under | |
| 21 | A- | Rape 2 (9A.44.050) committed at age 15 | B+ |
| 22 | | through age 17 | |
| 23 | C+ | Rape 3 (9A.44.060) | D+ |
| 24 | B++ | Rape of a Child 1 (9A.44.073) | B+ |
| 25 | | committed at age 14 or under | |
| 26 | A- | Rape of a Child 1 (9A.44.073) | B+ |
| 27 | | committed at age 15 | |
| 28 | B+ | Rape of a Child 2 (9A.44.076) | C+ |
| 29 | B | Incest 1 (9A.64.020(1)) | C |
| 30 | C | Incest 2 (9A.64.020(2)) | D |
| 31 | D+ | Indecent Exposure (Victim <14) | E |
| 32 | | (9A.88.010) | |
| 33 | E | Indecent Exposure (Victim 14 or over) | E |
| 34 | | (9A.88.010) | |
| 35 | B+ | Promoting Prostitution 1 (9A.88.070) | C+ |
| 36 | C+ | Promoting Prostitution 2 (9A.88.080) | D+ |

| | | | |
|----|-----|---------------------------------------|----|
| 1 | E | O & A (Prostitution) (9A.88.030) | E |
| 2 | B+ | Indecent Liberties (9A.44.100) | C+ |
| 3 | B++ | Child Molestation 1 (9A.44.083) | B+ |
| 4 | | committed at age 14 or under | |
| 5 | A- | Child Molestation 1 (9A.44.083) | B+ |
| 6 | | committed at age 15 through age 17 | |
| 7 | B | Child Molestation 2 (9A.44.086) | C+ |
| 8 | C | Failure to Register as a Sex Offender | D |
| 9 | | (9A.44.132) | |
| 10 | | Theft, Robbery, Extortion, and | |
| 11 | | Forgery | |
| 12 | B | Theft 1 (9A.56.030) | C |
| 13 | C | Theft 2 (9A.56.040) | D |
| 14 | D | Theft 3 (9A.56.050) | E |
| 15 | B | Theft of Livestock 1 and 2 (9A.56.080 | C |
| 16 | | and 9A.56.083) | |
| 17 | C | Forgery (9A.60.020) | D |
| 18 | A | Robbery 1 (9A.56.200) committed at | B+ |
| 19 | | age 15 or under | |
| 20 | A++ | Robbery 1 (9A.56.200) committed at | A |
| 21 | | age 16 or 17 | |
| 22 | B+ | Robbery 2 (9A.56.210) | C+ |
| 23 | B+ | Extortion 1 (9A.56.120) | C+ |
| 24 | C+ | Extortion 2 (9A.56.130) | D+ |
| 25 | C | Identity Theft 1 (9.35.020(2)) | D |
| 26 | D | Identity Theft 2 (9.35.020(3)) | E |
| 27 | D | Improperly Obtaining Financial | E |
| 28 | | Information (9.35.010) | |
| 29 | B | Possession of a Stolen Vehicle | C |
| 30 | | (9A.56.068) | |
| 31 | B | Possession of Stolen Property 1 | C |
| 32 | | (9A.56.150) | |
| 33 | C | Possession of Stolen Property 2 | D |
| 34 | | (9A.56.160) | |
| 35 | D | Possession of Stolen Property 3 | E |
| 36 | | (9A.56.170) | |

| | | | |
|----|----|--|----|
| 1 | B | Taking Motor Vehicle Without | C |
| 2 | | Permission 1 (9A.56.070) | |
| 3 | C | Taking Motor Vehicle Without | D |
| 4 | | Permission 2 (9A.56.075) | |
| 5 | B | Theft of a Motor Vehicle (9A.56.065) | C |
| 6 | | Motor Vehicle Related Crimes | |
| 7 | E | Driving Without a License (46.20.005) | E |
| 8 | B+ | Hit and Run - Death (46.52.020(4)(a)) | C+ |
| 9 | C | Hit and Run - Injury (46.52.020(4)(b)) | D |
| 10 | D | Hit and Run-Attended (46.52.020(5)) | E |
| 11 | E | Hit and Run-Unattended (46.52.010) | E |
| 12 | C | Vehicular Assault (46.61.522) | D |
| 13 | C | Attempting to Elude Pursuing Police | D |
| 14 | | Vehicle (46.61.024) | |
| 15 | E | Reckless Driving (46.61.500) | E |
| 16 | D | Driving While Under the Influence | E |
| 17 | | (46.61.502 and 46.61.504) | |
| 18 | B+ | Felony Driving While Under the | B |
| 19 | | Influence (46.61.502(6)) | |
| 20 | B+ | Felony Physical Control of a Vehicle | B |
| 21 | | While Under the Influence (46.61.504(6)) | |
| 22 | | Other | |
| 23 | B | Animal Cruelty 1 (16.52.205) | C |
| 24 | B | Bomb Threat (9.61.160) | C |
| 25 | C | Escape 1 ¹ (9A.76.110) | C |
| 26 | C | Escape 2 ¹ (9A.76.120) | C |
| 27 | D | Escape 3 (9A.76.130) | E |
| 28 | E | Obscene, Harassing, Etc., Phone Calls | E |
| 29 | | (9.61.230) | |
| 30 | A | Other Offense Equivalent to an Adult | B+ |
| 31 | | Class A Felony | |
| 32 | B | Other Offense Equivalent to an Adult | C |
| 33 | | Class B Felony | |
| 34 | C | Other Offense Equivalent to an Adult | D |
| 35 | | Class C Felony | |

- 1 D Other Offense Equivalent to an Adult E
- 2 Gross Misdemeanor
- 3 E Other Offense Equivalent to an Adult E
- 4 Misdemeanor
- 5 V Violation of Order of Restitution, V
- 6 Community Supervision, or Confinement
- 7 (13.40.200)²

8 ¹Escape 1 and 2 and Attempted Escape 1 and 2 are classed as C offenses
 9 and the standard range is established as follows:

10 1st escape or attempted escape during 12-month period - 28 days
 11 confinement

12 2nd escape or attempted escape during 12-month period - 8 weeks
 13 confinement

14 3rd and subsequent escape or attempted escape during 12-month
 15 period - 12 weeks confinement

16 ²If the court finds that a respondent has violated terms of an order,
 17 it may impose a penalty of up to 30 days of confinement.

18 **JUVENILE SENTENCING STANDARDS**

19 This schedule must be used for juvenile offenders. The court may
 20 select sentencing option A, B, C, or D.

21 **OPTION A**

22 **JUVENILE OFFENDER SENTENCING GRID**

23 **STANDARD RANGE**

| | | | | | | | |
|----|----------|--|-------------|--------------|---------------|---------------|---------------|
| 24 | A++ | 129 to 260 weeks for all category A++ offenses | | | | | |
| 25 | A+ | 180 weeks to age 21 for all category A+ offenses | | | | | |
| 26 | A | 103-129 weeks for all category A offenses | | | | | |
| 27 | A- | 30-40 weeks | 52-65 weeks | 80-100 weeks | 103-129 weeks | 103-129 weeks | |
| 28 | B++ | 15-36 weeks | 52-65 weeks | 80-100 weeks | 103-129 weeks | 103-129 weeks | |
| 29 | CURRENT | B+ | 15-36 weeks | 15-36 weeks | 52-65 weeks | 80-100 weeks | 103-129 weeks |
| 30 | OFFENSE | B | LS | LS | 15-36 weeks | 15-36 weeks | 52-65 weeks |
| 31 | CATEGORY | C+ | LS | LS | LS | 15-36 weeks | 15-36 weeks |
| 32 | | C | LS | LS | LS | LS | 15-36 weeks |
| 33 | | D+ | LS | LS | LS | LS | LS |

| | | | | | | |
|---|---------------|----|----|----|----|-----------|
| 1 | D | LS | LS | LS | LS | LS |
| 2 | E | LS | LS | LS | LS | LS |
| 3 | PRIOR | 0 | 1 | 2 | 3 | 4 or more |
| 4 | ADJUDICATIONS | | | | | |

5 NOTE: References in the grid to days or weeks mean periods of
6 confinement. "LS" means "local sanctions" as defined in RCW
7 13.40.020.

8 (1) The vertical axis of the grid is the current offense
9 category. The current offense category is determined by the offense
10 of adjudication.

11 (2) The horizontal axis of the grid is the number of prior
12 adjudications included in the juvenile's criminal history. Each prior
13 felony adjudication shall count as one point. Each prior violation,
14 misdemeanor, and gross misdemeanor adjudication shall count as 1/4
15 point. Fractional points shall be rounded down.

16 (3) The standard range disposition for each offense is determined
17 by the intersection of the column defined by the prior adjudications
18 and the row defined by the current offense category.

19 (4) RCW 13.40.180 applies if the offender is being sentenced for
20 more than one offense.

21 (5) A current offense that is a violation is equivalent to an
22 offense category of E. However, a disposition for a violation shall
23 not include confinement.

24 **OR**

25 **OPTION B**

26 **SUSPENDED DISPOSITION ALTERNATIVE**

27 (1) If the offender is subject to a standard range disposition
28 involving confinement by the department, the court may impose the
29 standard range and suspend the disposition on condition that the
30 offender comply with one or more local sanctions and any educational
31 or treatment requirement. The treatment programs provided to the
32 offender must be either research-based best practice programs as
33 identified by the Washington state institute for public policy or the
34 joint legislative audit and review committee, or for chemical
35 dependency treatment programs or services, they must be evidence-
36 based or research-based best practice programs. For the purposes of
37 this subsection:

1 (a) "Evidence-based" means a program or practice that has had
2 multiple site random controlled trials across heterogeneous
3 populations demonstrating that the program or practice is effective
4 for the population; and

5 (b) "Research-based" means a program or practice that has some
6 research demonstrating effectiveness, but that does not yet meet the
7 standard of evidence-based practices.

8 (2) If the offender fails to comply with the suspended
9 disposition, the court may impose sanctions pursuant to RCW 13.40.200
10 or may revoke the suspended disposition and order the disposition's
11 execution.

12 (3) An offender is ineligible for the suspended disposition
13 option under this section if the offender:

14 (a) Is adjudicated of an A+ or A++ offense;

15 (b) Is fourteen years of age or older and is adjudicated of one
16 or more of the following offenses:

17 (i) A class A offense, or an attempt, conspiracy, or solicitation
18 to commit a class A offense;

19 (ii) Manslaughter in the first degree (RCW 9A.32.060);

20 (iii) Assault in the second degree (RCW 9A.36.021), extortion in
21 the first degree (RCW 9A.56.120), kidnapping in the second degree
22 (RCW 9A.40.030), drive-by shooting (RCW 9A.36.045), vehicular
23 homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), or
24 manslaughter 2 (RCW 9A.32.070); or

25 (iv) Violation of the uniform controlled substances act (RCW
26 69.50.401(2) (a) and (b)), when the offense includes infliction of
27 bodily harm upon another or when during the commission or immediate
28 withdrawal from the offense the respondent was armed with a deadly
29 weapon;

30 (c) Is ordered to serve a disposition for a firearm violation
31 under RCW 13.40.193;

32 (d) Is adjudicated of a sex offense as defined in RCW 9.94A.030;
33 or

34 (e) Has a prior option B disposition.

35 **OR**

36 **OPTION C**

37 **CHEMICAL DEPENDENCY/MENTAL HEALTH DISPOSITION ALTERNATIVE**

38 If the juvenile offender is subject to a standard range
39 disposition of local sanctions or 15 to 36 weeks of confinement and

1 has not committed a B++ or B+ offense, the court may impose a
2 disposition under RCW 13.40.160(4) and 13.40.165.

3 OR

4 OPTION D

5 **MANIFEST INJUSTICE**

6 If the court determines that a disposition under option A, B, or C
7 would effectuate a manifest injustice, the court shall impose a
8 disposition outside the standard range under RCW 13.40.160(2).

9 **Sec. 8.** RCW 15.13.270 and 2014 c 140 s 32 are each amended to
10 read as follows:

11 (1) The provisions of this chapter relating to nursery dealer
12 licensing do not apply to: (a) Persons making casual or isolated
13 sales that do not exceed one hundred dollars annually; (b) any garden
14 club, conservation district, or charitable nonprofit association
15 conducting not more than three sales per year for not more than four
16 consecutive days each of horticultural plants which are grown by or
17 donated to its members; (c) educational organizations associated with
18 private or public secondary schools; and (d) the production of
19 (~~marijuana~~) cannabis and persons who are licensed as (~~marijuana~~)
20 cannabis producers under RCW 69.50.325 with respect to the operations
21 under such license. For the purposes of this subsection, the terms
22 (~~"marijuana" and "marijuana"~~) "cannabis" and "cannabis producer"
23 have the same meanings as provided in RCW 69.50.101. However, such a
24 club, conservation district, association, or organization must apply
25 to the director for a permit to conduct such sales.

26 (2) All horticultural plants sold under such a permit must be in
27 compliance with the provisions of this chapter.

28 **Sec. 9.** RCW 15.13.270 and 2014 c 140 s 32 are each amended to
29 read as follows:

30 (1) The provisions of this chapter relating to licensing do not
31 apply to: (a) Persons making casual or isolated sales that do not
32 exceed one hundred dollars annually; (b) any garden club,
33 conservation district, or charitable nonprofit association conducting
34 not more than three sales per year for not more than four consecutive
35 days each of horticultural plants which are grown by or donated to
36 its members; (c) educational organizations associated with private or
37 public secondary schools; and (d) the production of (~~marijuana~~)

1 cannabis and persons who are licensed as (~~marijuana~~) cannabis
2 producers under RCW 69.50.325 with respect to the operations under
3 such license. For the purposes of this subsection, the terms
4 (~~"marijuana" and "marijuana"~~) "cannabis" and "cannabis producer"
5 have the same meanings as provided in RCW 69.50.101. However, such a
6 club, conservation district, association, or organization must apply
7 to the director for a permit to conduct such sales.

8 (2) All horticultural plants sold under such a permit must be in
9 compliance with the provisions of this chapter.

10 **Sec. 10.** RCW 15.17.020 and 2016 c 229 s 2 are each amended to
11 read as follows:

12 For the purpose of this chapter:

13 (1) "Agent" means broker, commission merchant, solicitor, seller,
14 or consignor, and any other person acting upon the actual or implied
15 authority of another.

16 (2) "Certification" means, but is not limited to, the issuance by
17 the director of an inspection certificate or other official document
18 stating the grade, classification, and/or condition of any fruits or
19 vegetables, and/or if the fruits or vegetables are free of plant
20 pests and/or other defects.

21 (3) "Combination grade" means two or more grades packed together
22 as one, except cull grades, with a minimum percent of the product of
23 the higher grade, as established by rule.

24 (4) "Compliance agreement" means an agreement entered into
25 between the department and a shipper or packer, that authorizes the
26 shipper or packer to issue certificates of compliance for fruits and
27 vegetables.

28 (5) "Container" means any container or subcontainer used to
29 prepackage any fruits or vegetables. This does not include a
30 container used by a retailer to package fruits or vegetables sold
31 from a bulk display to a consumer.

32 (6) "Deceptive arrangement or display" means any bulk lot or
33 load, arrangement, or display of fruits or vegetables which has in
34 the exposed surface, fruits or vegetables which are so superior in
35 quality, size, condition, or any other respect to those which are
36 concealed, or the unexposed portion, as to materially misrepresent
37 any part of the bulk lot or load, arrangement, or display.

38 (7) "Deceptive pack" means the pack of any container which has in
39 the outer layer or any exposed surface fruits or vegetables which are

1 in quality, size, condition, or any other respect so superior to
2 those in the interior of the container in the unexposed portion as to
3 materially misrepresent the contents. Such pack is deceptive when the
4 outer or exposed surface is composed of fruits or vegetables whose
5 size is not an accurate representation of the variation of the size
6 of the fruits or vegetables in the entire container, even though the
7 fruits or vegetables in the container are virtually uniform in size
8 or comply with the specific standards adopted under this chapter.

9 (8) "Department" means the department of agriculture of the state
10 of Washington.

11 (9) "Director" means the director of the department or his or her
12 duly authorized representative.

13 (10) "Facility" means, but is not limited to, the premises where
14 fruits and vegetables are grown, stored, handled, or delivered for
15 sale or transportation, and all vehicles and equipment, whether
16 aerial or surface, used to transport fruits and vegetables.

17 (11) "Fruits and vegetables" means any unprocessed fruits or
18 vegetables, but does not include (~~marijuana~~) cannabis as defined in
19 RCW 69.50.101.

20 (12) "Handler" means any person engaged in the business of
21 handling, selling, processing, storing, shipping, or distributing
22 fruits or vegetables that he or she has purchased or acquired from a
23 producer.

24 (13) "Inspection" means, but is not limited to, the inspection by
25 the director of any fruits or vegetables at any time prior to,
26 during, or subsequent to harvest.

27 (14) "Mislabel" means the placing or presence of any false or
28 misleading statement, design, or device upon any wrapper, container,
29 container label or lining, or any placard used in connection with and
30 having reference to fruits or vegetables.

31 (15) "Person" means any individual, firm, partnership,
32 corporation, company, society, or association, and every officer,
33 agent, or employee thereof.

34 (16) "Plant pests" means, but is not limited to, any living stage
35 of any insects, mites, nematodes, slugs, snails, protozoa, or other
36 invertebrate animals, bacteria, fungi, viruses, or any organisms
37 similar to or allied with any of the foregoing, or any infectious
38 substance, which can directly or indirectly injure or cause disease
39 or damage in any plant or parts thereof, or any processed,
40 manufactured, or other products of plants.

1 (17) "Sell" means to sell, offer for sale, hold for sale, or ship
2 or transport in bulk or in containers.

3 (18) "Standards" means grades, classifications, and other
4 inspection criteria for fruits and vegetables.

5 **Sec. 11.** RCW 15.49.061 and 2014 c 140 s 34 are each amended to
6 read as follows:

7 (1) The provisions of this chapter do not apply to (~~marijuana~~)
8 cannabis seed. For the purposes of this subsection, (~~"marijuana"~~)
9 "cannabis" has the same meaning as defined in RCW 69.50.101.

10 (2) The provisions of RCW 15.49.011 through 15.49.051 do not
11 apply:

12 (a) To seed or grain not intended for sowing purposes;

13 (b) To seed in storage by, or being transported or consigned to a
14 conditioning establishment for conditioning if the invoice or
15 labeling accompanying the shipment of such seed bears the statement
16 "seeds for conditioning" and if any labeling or other representation
17 that may be made with respect to the unconditioned seed is subject to
18 this chapter;

19 (c) To any carrier with respect to any seed transported or
20 delivered for transportation in the ordinary course of its business
21 as a carrier if the carrier is not engaged in producing,
22 conditioning, or marketing seeds subject to this chapter; or

23 (d) Seed stored or transported by the grower of the seed.

24 (3) No person may be subject to the penalties of this chapter for
25 having sold or offered for sale seeds subject to this chapter that
26 were incorrectly labeled or represented as to kind, species, variety,
27 or type, which seeds cannot be identified by examination thereof,
28 unless he or she has failed to obtain an invoice, genuine grower's
29 declaration, or other labeling information and to take such other
30 precautions as may be reasonable to ensure the identity to be that
31 stated. A genuine grower's declaration of variety shall affirm that
32 the grower holds records of proof concerning parent seed, such as
33 invoice and labels.

34 **Sec. 12.** RCW 15.125.010 and 2017 c 317 s 18 are each amended to
35 read as follows:

36 The definitions in this section apply throughout this chapter
37 unless the context clearly requires otherwise.

38 (1) "Board" means the state liquor and cannabis board.

1 (2) "Licensee facilities" means any premises regulated by the
2 board for producing, processing, or retailing (~~(marijuana)~~) cannabis
3 or (~~(marijuana)~~) cannabis products.

4 (3) (~~("Marijuana")~~) "Cannabis" has the meaning provided in RCW
5 69.50.101.

6 (4) (~~("Marijuana")~~) "Cannabis processor" has the meaning provided
7 in RCW 69.50.101.

8 (5) (~~("Marijuana")~~) "Cannabis producer" has the meaning provided
9 in RCW 69.50.101.

10 (6) (~~("Marijuana")~~) "Cannabis products" has the meaning provided
11 in RCW 69.50.101.

12 (7) (~~("Marijuana")~~) "Cannabis retailer" has the meaning provided
13 in RCW 69.50.101.

14 (8) "Person" means any natural person, firm, partnership,
15 association, private or public corporation, governmental entity, or
16 other business entity.

17 **Sec. 13.** RCW 15.125.020 and 2017 c 317 s 19 are each amended to
18 read as follows:

19 (1) The department may adopt rules establishing:

20 (a) Standards for (~~(marijuana— and —marijuana)~~) cannabis and
21 cannabis products produced and processed in a manner consistent with,
22 to the extent practicable, 7 C.F.R. Part 205;

23 (b) A self-sustaining program for certifying (~~(marijuana)~~)
24 cannabis producers and (~~(marijuana)~~) cannabis processors as meeting
25 the standards established under (a) of this subsection; and

26 (c) Other rules as necessary for administration of this chapter.

27 (2) To the extent practicable, the program must be consistent
28 with the program established by the director under chapter 15.86 RCW.

29 (3) The rules must include a fee schedule that will provide for
30 the recovery of the full cost of the program including, but not
31 limited to, application processing, inspections, sampling and
32 testing, notifications, public awareness programs, and enforcement.

33 **Sec. 14.** RCW 15.125.030 and 2017 c 317 s 20 are each amended to
34 read as follows:

35 (1) No (~~(marijuana— or —marijuana)~~) cannabis or cannabis product
36 may be labeled, sold, or represented as produced or processed under
37 the standards established under this chapter unless produced or

1 processed by a person certified by the department under the program
2 established under this chapter.

3 (2) No person may represent, sell, or offer for sale any
4 (~~marijuana or marijuana~~) cannabis or cannabis products as produced
5 or processed under standards adopted under this chapter if the person
6 knows, or has reason to know, that the (~~marijuana or marijuana~~)
7 cannabis or cannabis product has not been produced or processed in
8 conformance with the standards established under this chapter.

9 (3) No person may represent, sell, or offer for sale any
10 (~~marijuana or marijuana~~) cannabis or cannabis products as "organic
11 products" as that term has meaning under chapter 15.86 RCW.

12 **Sec. 15.** RCW 15.125.040 and 2017 c 317 s 21 are each amended to
13 read as follows:

14 (1) The department may inspect licensee facilities to verify
15 compliance with this chapter and rules adopted under it.

16 (2) The department may deny, suspend, or revoke a certification
17 provided for in this chapter if the department determines that an
18 applicant or certified person has violated this chapter or rules
19 adopted under it.

20 (3) The department may impose on and collect from any person who
21 has violated this chapter or rules adopted under it a civil fine not
22 exceeding the total of:

23 (a) The state's estimated costs of investigating and taking
24 appropriate administrative and enforcement actions for the violation;
25 and

26 (b) One thousand dollars.

27 (4) The board may take enforcement actions against a
28 (~~marijuana~~) cannabis producer, (~~marijuana~~) cannabis processor, or
29 (~~marijuana~~) cannabis retailer license issued by the board,
30 including suspension or revocation of the license, when a licensee
31 continues to violate this chapter after revocation of its
32 certification or, if uncertified, receiving written notice from the
33 department of certification requirements.

34 (5) The provisions of this chapter are cumulative and
35 nonexclusive and do not affect any other remedy at law.

36 **Sec. 16.** RCW 15.125.050 and 2017 c 317 s 22 are each amended to
37 read as follows:

1 Information about (~~marijuana~~) cannabis producers, (~~marijuana~~)
2 cannabis processors, and (~~marijuana~~) cannabis retailers otherwise
3 exempt from public inspection and copying under chapter 42.56 RCW is
4 also exempt from public inspection and copying if submitted to or
5 used by the department.

6 **Sec. 17.** RCW 15.140.020 and 2019 c 158 s 2 are each amended to
7 read as follows:

8 The definitions in this section apply throughout this chapter
9 unless the context clearly requires otherwise.

10 (1) "Agriculture improvement act of 2018" means sections 7605,
11 10113, 10114, and 12619 of the agriculture improvement act of 2018,
12 P.L. 115-334.

13 (2) "Cannabis" has the meaning provided in RCW 69.50.101.

14 (3) "Crop" means hemp grown as an agricultural commodity.

15 (~~(3)~~) (4) "Cultivar" means a variation of the plant *Cannabis*
16 *sativa L.* that has been developed through cultivation by selective
17 breeding.

18 (~~(4)~~) (5) "Department" means the Washington state department of
19 agriculture.

20 (~~(5)~~) (6) "Hemp" means the plant *Cannabis sativa L.* and any
21 part of that plant, including the seeds thereof and all derivatives,
22 extracts, cannabinoids, isomers, acids, salts, and salts of isomers,
23 whether growing or not, with a delta-9 tetrahydrocannabinol
24 concentration of not more than 0.3 percent on a dry weight basis.

25 (~~(6)~~) (7)(a) "Industrial hemp" means all parts and varieties of
26 the genera *Cannabis*, cultivated or possessed by a grower, whether
27 growing or not, that contain a tetrahydrocannabinol concentration of
28 0.3 percent or less by dry weight that was grown under the industrial
29 hemp research program as it existed on December 31, 2019.

30 (b) "Industrial hemp" does not include plants of the genera
31 *Cannabis* that meet the definition of (~~"marijuana" as defined in RCW~~
32 ~~69.50.101~~) cannabis.

33 (~~(7)~~) (8) "Postharvest test" means a test of delta-9
34 tetrahydrocannabinol concentration levels of hemp after being
35 harvested based on:

36 (a) Ground whole plant samples without heat applied; or

37 (b) Other approved testing methods.

38 (~~(8)~~) (9) "Process" means the processing, compounding, or
39 conversion of hemp into hemp commodities or products.

1 (~~(9)~~) (10) "Produce" or "production" means the planting,
2 cultivation, growing, or harvesting of hemp including hemp seed.

3 **Sec. 18.** RCW 15.140.100 and 2019 c 158 s 10 are each amended to
4 read as follows:

5 (1) There is no distance requirement, limitation, or buffer zone
6 between any licensed hemp producer or hemp processing facility
7 licensed or authorized under this chapter and any (~~(marijuana)~~)
8 cannabis producer or (~~(marijuana)~~) cannabis processor licensed under
9 chapter 69.50 RCW. No rule may establish such a distance requirement,
10 limitation, or buffer zone without the evaluation of sufficient data
11 showing impacts to either crop as a result of cross-pollination.

12 (2) Notwithstanding subsection (1) of this section, in an effort
13 to prevent cross-pollination between hemp plants produced under this
14 chapter and (~~(marijuana)~~) cannabis plants produced under chapter
15 69.50 RCW, the department, in consultation with the liquor and
16 cannabis board, must review the state's policy regarding cross-
17 pollination and pollen capture to ensure an appropriate policy is in
18 place, and must modify policies or establish new policies as
19 appropriate. Under any such policy, when a documented conflict
20 involving cross-pollination exists between two farms or production
21 facilities growing or producing hemp or (~~(marijuana)~~) cannabis, the
22 farm or production facility operating first in time shall have the
23 right to continue operating and the farm or production facility
24 operating second in time must cease growing or producing hemp or
25 (~~(marijuana)~~) cannabis, as applicable.

26 **Sec. 19.** RCW 15.140.120 and 2019 c 158 s 16 are each amended to
27 read as follows:

28 Beginning on April 26, 2019:

29 (1) No law or rule related to certified or interstate hemp seeds
30 applies to or may be enforced against a person with a license to
31 produce or process hemp issued under this chapter (~~(or chapter 15.120~~
32 ~~RCW)~~); and

33 (2) No department or other state agency rule may establish or
34 enforce a buffer zone or distance requirement between a person with a
35 license or authorization to produce or process hemp under this
36 chapter (~~(or chapter 15.120 RCW)~~) and a person with a license to
37 produce or process (~~(marijuana)~~) cannabis issued under chapter 69.50
38 RCW. The department may not adopt rules without the evaluation of

1 sufficient data showing impacts to either crop as a result of cross-
2 pollination.

3 **Sec. 20.** RCW 18.170.020 and 2015 2nd sp.s. c 4 s 504 are each
4 amended to read as follows:

5 The requirements of this chapter do not apply to:

6 (1) A person who is employed exclusively or regularly by one
7 employer and performs the functions of a private security guard
8 solely in connection with the affairs of that employer, if the
9 employer is not a private security company. However, in accordance
10 with RCW 69.50.382, an employee engaged in ((~~marijuana-related~~))
11 cannabis-related transportation or delivery services on behalf of a
12 common carrier must be licensed as an armed private security guard
13 under this chapter in order to be authorized to carry or use a
14 firearm while providing such services;

15 (2) A sworn peace officer while engaged in the performance of the
16 officer's official duties;

17 (3) A sworn peace officer while employed by any person to engage
18 in off-duty employment as a private security guard, but only if the
19 employment is approved by the chief law enforcement officer of the
20 jurisdiction where the employment takes place and the sworn peace
21 officer does not employ, contract with, or broker for profit other
22 persons to assist him or her in performing the duties related to his
23 or her private employer; or

24 (4) (a) A person performing crowd management or guest services
25 including, but not limited to, a person described as a ticket taker,
26 usher, door attendant, parking attendant, crowd monitor, or event
27 staff who:

28 (i) Does not carry a firearm or other dangerous weapon including,
29 but not limited to, a stun gun, taser, pepper mace, or nightstick;

30 (ii) Does not wear a uniform or clothing readily identifiable by
31 a member of the public as that worn by a private security officer or
32 law enforcement officer; and

33 (iii) Does not have as his or her primary responsibility the
34 detainment of persons or placement of persons under arrest.

35 (b) The exemption provided in this subsection applies only when a
36 crowd has assembled for the purpose of attending or taking part in an
37 organized event, including preevent assembly, event operation hours,
38 and postevent departure activities.

1 **Sec. 21.** RCW 19.02.110 and 2017 c 138 s 3 are each amended to
2 read as follows:

3 (1) In addition to the licenses processed under the business
4 licensing system prior to April 1, 1982, on July 1, 1982, use of the
5 business licensing system is expanded as provided by this section.

6 (2) Applications for the following must be filed with the
7 business licensing service and must be processed, and renewals must
8 be issued, under the business licensing system:

9 (a) Nursery dealer's licenses required by chapter 15.13 RCW;

10 (b) Seed dealer's licenses required by chapter 15.49 RCW;

11 (c) Pesticide dealer's licenses required by chapter 15.58 RCW;

12 (d) Shopkeeper's licenses required by chapter 18.64 RCW;

13 (e) Egg dealer's licenses required by chapter 69.25 RCW; and

14 (f) (~~Marijuana-infused~~) Cannabis-infused edible endorsements
15 required by chapter 69.07 RCW.

16 **Sec. 22.** RCW 20.01.030 and 2014 c 140 s 35 are each amended to
17 read as follows:

18 This chapter does not apply to:

19 (1) Any cooperative marketing associations or federations
20 incorporated under, or whose articles of incorporation and bylaws are
21 equivalent to, the requirements of chapter 23.86 RCW, except as to
22 that portion of the activities of the association or federation that
23 involve the handling or dealing in the agricultural products of
24 nonmembers of the organization: PROVIDED, That the associations or
25 federations may purchase up to fifteen percent of their gross from
26 nonmembers for the purpose of filling orders: PROVIDED FURTHER, That
27 if the cooperative or association acts as a processor as defined in
28 RCW 20.01.500(2) and markets the processed agricultural crops on
29 behalf of the grower or its own behalf, the association or federation
30 is subject to the provisions of RCW 20.01.500 through 20.01.560 and
31 the license provision of this chapter excluding bonding provisions:
32 PROVIDED FURTHER, That none of the foregoing exemptions in this
33 subsection apply to any such cooperative or federation dealing in or
34 handling grain in any manner, and not licensed under the provisions
35 of chapter 22.09 RCW;

36 (2) Any person who sells exclusively his or her own agricultural
37 products as the producer thereof;

38 (3) Any public livestock market operating under a bond required
39 by law or a bond required by the United States to secure the

1 performance of the public livestock market's obligation. However, any
2 such market operating as a livestock dealer or order buyer, or both,
3 is subject to all provisions of this chapter except for the payment
4 of the license fee required in RCW 20.01.040;

5 (4) Any retail merchant having a bona fide fixed or permanent
6 place of business in this state, but only for the retail merchant's
7 retail business conducted at such fixed or established place of
8 business;

9 (5) Any person buying farm products for his or her own use or
10 consumption;

11 (6) Any warehouse operator or grain dealer licensed under the
12 state grain warehouse act, chapter 22.09 RCW, with respect to his or
13 her handling of any agricultural product as defined under that
14 chapter;

15 (7) Any nursery dealer who is required to be licensed under the
16 horticultural laws of the state with respect to his or her operations
17 as such licensee;

18 (8) Any person licensed under the now existing dairy laws of the
19 state with respect to his or her operations as such licensee;

20 (9) Any producer who purchases less than fifteen percent of his
21 or her volume to complete orders;

22 (10) Any person, association, or corporation regulated under
23 chapter 67.16 RCW and the rules adopted thereunder while performing
24 acts regulated by that chapter and the rules adopted thereunder;

25 (11) Any domestic winery, as defined in RCW 66.04.010, licensed
26 under Title 66 RCW, with respect to its transactions involving
27 agricultural products used by the domestic winery in making wine;

28 (12) Any person licensed as a (~~marijuana~~) cannabis producer or
29 processor under RCW 69.50.325 with respect to the operations under
30 such license. The definitions in RCW 69.50.101 apply to this
31 subsection (12).

32 **Sec. 23.** RCW 28A.210.325 and 2019 c 204 s 1 are each amended to
33 read as follows:

34 (1) A school district must permit a student who meets the
35 requirements of RCW 69.51A.220 to consume (~~marijuana-infused~~)
36 cannabis-infused products for medical purposes on school grounds,
37 aboard a school bus, or while attending a school-sponsored event in
38 accordance with the school district's policy adopted under this
39 section.

1 (2) Upon the request of a parent or guardian of a student who
2 meets the requirements of RCW 69.51A.220, the board of directors of a
3 school district shall adopt a policy to authorize parents or
4 guardians to administer (~~marijuana-infused~~) cannabis-infused
5 products to a student for medical purposes while the student is on
6 school grounds, aboard a school bus, or attending a school-sponsored
7 event. The policy must, at a minimum:

8 (a) Require that the student be authorized to use (~~marijuana-~~
9 ~~infused~~) cannabis-infused products for medical purposes pursuant to
10 RCW 69.51A.220 and that the parent or guardian acts as the designated
11 provider for the student and assists the student with the consumption
12 of the (~~marijuana~~) cannabis while on school grounds, aboard a
13 school bus, or attending a school-sponsored event;

14 (b) Establish protocols for verifying the student is authorized
15 to use (~~marijuana~~) cannabis for medical purposes and the parent or
16 guardian is acting as the designated provider for the student
17 pursuant to RCW 69.51A.220. The school may consider a student's and
18 parent's or guardian's valid recognition cards to be proof of
19 compliance with RCW 69.51A.220;

20 (c) Expressly authorize parents or guardians of students who have
21 been authorized to use (~~marijuana~~) cannabis for medical purposes to
22 administer (~~marijuana-infused~~) cannabis-infused products to the
23 student while the student is on school grounds at a location
24 identified pursuant to (d) of this subsection (2), aboard a school
25 bus, or attending a school-sponsored event;

26 (d) Identify locations on school grounds where (~~marijuana-~~
27 ~~infused~~) cannabis-infused products may be administered; and

28 (e) Prohibit the administration of medical (~~marijuana~~) cannabis
29 to a student by smoking or other methods involving inhalation while
30 the student is on school grounds, aboard a school bus, or attending a
31 school-sponsored event.

32 (3) School district officials, employees, volunteers, students,
33 and parents and guardians acting in accordance with the school
34 district policy adopted under subsection (2) of this section may not
35 be arrested, prosecuted, or subject to other criminal sanctions, or
36 civil or professional consequences for possession, manufacture, or
37 delivery of, or for possession with intent to manufacture or deliver
38 (~~marijuana~~) cannabis under state law, or have real or personal
39 property seized or forfeited for possession, manufacture, or delivery

1 of, or possession with intent to manufacture or deliver ((~~marijuana~~))
2 cannabis under state law.

3 (4) For the purposes of this section, ((~~"marijuana-infused"~~))
4 "cannabis-infused products" has the meaning provided in RCW
5 69.50.101.

6 **Sec. 24.** RCW 28B.20.502 and 2015 2nd sp.s. c 4 s 1502 are each
7 amended to read as follows:

8 (1) The University of Washington and Washington State University
9 may conduct scientific research on the efficacy and safety of
10 administering ((~~marijuana~~)) cannabis as part of medical treatment. As
11 part of this research, the University of Washington and Washington
12 State University may develop and conduct studies to ascertain the
13 general medical safety and efficacy of ((~~marijuana~~)) cannabis, and
14 may develop medical guidelines for the appropriate administration and
15 use of ((~~marijuana~~)) cannabis.

16 (2) The University of Washington and Washington State University
17 may, in accordance with RCW 69.50.372, contract with ((~~marijuana~~))
18 cannabis research licensees to conduct research permitted under this
19 section and RCW 69.50.372.

20 (3) The University of Washington and Washington State University
21 may contract to conduct ((~~marijuana~~)) cannabis research with an
22 entity licensed to conduct such research by a federally recognized
23 Indian tribe located within the geographical boundaries of the state
24 of Washington.

25 (4) For the purposes of this section, "cannabis" has the meaning
26 provided in RCW 69.50.101.

27 **Sec. 25.** RCW 38.38.762 and 2009 c 378 s 25 are each amended to
28 read as follows:

29 (1) Any person subject to this code who wrongfully uses,
30 possesses, distributes, or introduces into an installation, vessel,
31 vehicle, or aircraft used by or under the control of the armed forces
32 or organized militia a substance described in subsection (2) of this
33 section shall be punished as a court-martial may direct.

34 (2) The substances referred to in subsection (1) of this section
35 are the following:

36 (a) Opium, heroin, cocaine, amphetamine, lysergic acid
37 diethylamide, methamphetamine, phencyclidine, barbituric acid, and

1 ((marijuana)) cannabis and any compound or derivative of any such
2 substance;

3 (b) Any substance not specified in (a) of this subsection that is
4 listed on a schedule of controlled substances prohibited by the
5 United States army; or

6 (c) Any other substance not specified in this subsection that is
7 listed in Schedules I through V of section 202 of the federal
8 controlled substances act, 21 U.S.C. Sec. 812, as amended.

9 (3) For the purposes of this section, "cannabis" has the meaning
10 provided in RCW 69.50.101.

11 **Sec. 26.** RCW 42.56.270 and 2020 c 238 s 11 are each amended to
12 read as follows:

13 The following financial, commercial, and proprietary information
14 is exempt from disclosure under this chapter:

15 (1) Valuable formulae, designs, drawings, computer source code or
16 object code, and research data obtained by any agency within five
17 years of the request for disclosure when disclosure would produce
18 private gain and public loss;

19 (2) Financial information supplied by or on behalf of a person,
20 firm, or corporation for the purpose of qualifying to submit a bid or
21 proposal for (a) a ferry system construction or repair contract as
22 required by RCW 47.60.680 through 47.60.750; (b) highway construction
23 or improvement as required by RCW 47.28.070; or (c) alternative
24 public works contracting procedures as required by RCW 39.10.200
25 through 39.10.905;

26 (3) Financial and commercial information and records supplied by
27 private persons pertaining to export services provided under chapters
28 43.163 and 53.31 RCW, and by persons pertaining to export projects
29 under RCW 43.23.035;

30 (4) Financial and commercial information and records supplied by
31 businesses or individuals during application for loans or program
32 services provided by chapters 43.325, 43.163, 43.160, 43.330, and
33 43.168 RCW, or during application for economic development loans or
34 program services provided by any local agency;

35 (5) Financial information, business plans, examination reports,
36 and any information produced or obtained in evaluating or examining a
37 business and industrial development corporation organized or seeking
38 certification under chapter 31.24 RCW;

1 (6) Financial and commercial information supplied to the state
2 investment board by any person when the information relates to the
3 investment of public trust or retirement funds and when disclosure
4 would result in loss to such funds or in private loss to the
5 providers of this information;

6 (7) Financial and valuable trade information under RCW 51.36.120;

7 (8) Financial, commercial, operations, and technical and research
8 information and data submitted to or obtained by the clean Washington
9 center in applications for, or delivery of, program services under
10 chapter 70.95H RCW;

11 (9) Financial and commercial information requested by the public
12 stadium authority from any person or organization that leases or uses
13 the stadium and exhibition center as defined in RCW 36.102.010;

14 (10)(a) Financial information, including but not limited to
15 account numbers and values, and other identification numbers supplied
16 by or on behalf of a person, firm, corporation, limited liability
17 company, partnership, or other entity related to an application for a
18 horse racing license submitted pursuant to RCW 67.16.260(1)(b),
19 (~~marijuana~~) cannabis producer, processor, or retailer license,
20 liquor license, gambling license, or lottery retail license;

21 (b) Internal control documents, independent auditors' reports and
22 financial statements, and supporting documents: (i) Of house-banked
23 social card game licensees required by the gambling commission
24 pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted
25 by tribes with an approved tribal/state compact for class III gaming;

26 (c) Valuable formulae or financial or proprietary commercial
27 information records received during a consultative visit or while
28 providing consultative services to a licensed (~~marijuana~~) cannabis
29 business in accordance with RCW 69.50.561;

30 (11) Proprietary data, trade secrets, or other information that
31 relates to: (a) A vendor's unique methods of conducting business; (b)
32 data unique to the product or services of the vendor; or (c)
33 determining prices or rates to be charged for services, submitted by
34 any vendor to the department of social and health services or the
35 health care authority for purposes of the development, acquisition,
36 or implementation of state purchased health care as defined in RCW
37 41.05.011;

38 (12)(a) When supplied to and in the records of the department of
39 commerce:

1 (i) Financial and proprietary information collected from any
2 person and provided to the department of commerce pursuant to RCW
3 43.330.050(8); and

4 (ii) Financial or proprietary information collected from any
5 person and provided to the department of commerce or the office of
6 the governor in connection with the siting, recruitment, expansion,
7 retention, or relocation of that person's business and until a siting
8 decision is made, identifying information of any person supplying
9 information under this subsection and the locations being considered
10 for siting, relocation, or expansion of a business;

11 (b) When developed by the department of commerce based on
12 information as described in (a)(i) of this subsection, any work
13 product is not exempt from disclosure;

14 (c) For the purposes of this subsection, "siting decision" means
15 the decision to acquire or not to acquire a site;

16 (d) If there is no written contact for a period of sixty days to
17 the department of commerce from a person connected with siting,
18 recruitment, expansion, retention, or relocation of that person's
19 business, information described in (a)(ii) of this subsection will be
20 available to the public under this chapter;

21 (13) Financial and proprietary information submitted to or
22 obtained by the department of ecology or the authority created under
23 chapter ((70.95N)) 70A.500 RCW to implement chapter ((70.95N))
24 70A.500 RCW;

25 (14) Financial, commercial, operations, and technical and
26 research information and data submitted to or obtained by the life
27 sciences discovery fund authority in applications for, or delivery
28 of, grants under RCW 43.330.502, to the extent that such information,
29 if revealed, would reasonably be expected to result in private loss
30 to the providers of this information;

31 (15) Financial and commercial information provided as evidence to
32 the department of licensing as required by RCW 19.112.110 or
33 19.112.120, except information disclosed in aggregate form that does
34 not permit the identification of information related to individual
35 fuel licensees;

36 (16) Any production records, mineral assessments, and trade
37 secrets submitted by a permit holder, mine operator, or landowner to
38 the department of natural resources under RCW 78.44.085;

39 (17)(a) Farm plans developed by conservation districts, unless
40 permission to release the farm plan is granted by the landowner or

1 operator who requested the plan, or the farm plan is used for the
2 application or issuance of a permit;

3 (b) Farm plans developed under chapter 90.48 RCW and not under
4 the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject
5 to RCW 42.56.610 and 90.64.190;

6 (18) Financial, commercial, operations, and technical and
7 research information and data submitted to or obtained by a health
8 sciences and services authority in applications for, or delivery of,
9 grants under RCW 35.104.010 through 35.104.060, to the extent that
10 such information, if revealed, would reasonably be expected to result
11 in private loss to providers of this information;

12 (19) Information gathered under chapter 19.85 RCW or RCW
13 34.05.328 that can be identified to a particular business;

14 (20) Financial and commercial information submitted to or
15 obtained by the University of Washington, other than information the
16 university is required to disclose under RCW 28B.20.150, when the
17 information relates to investments in private funds, to the extent
18 that such information, if revealed, would reasonably be expected to
19 result in loss to the University of Washington consolidated endowment
20 fund or to result in private loss to the providers of this
21 information;

22 (21) Market share data submitted by a manufacturer under RCW
23 (~~(70.95N.190(4))~~) 70A.500.190(4);

24 (22) Financial information supplied to the department of
25 financial institutions, when filed by or on behalf of an issuer of
26 securities for the purpose of obtaining the exemption from state
27 securities registration for small securities offerings provided under
28 RCW 21.20.880 or when filed by or on behalf of an investor for the
29 purpose of purchasing such securities;

30 (23) Unaggregated or individual notices of a transfer of crude
31 oil that is financial, proprietary, or commercial information,
32 submitted to the department of ecology pursuant to RCW
33 90.56.565(1)(a), and that is in the possession of the department of
34 ecology or any entity with which the department of ecology has shared
35 the notice pursuant to RCW 90.56.565;

36 (24) Financial institution and retirement account information,
37 and building security plan information, supplied to the liquor and
38 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and
39 69.50.345, when filed by or on behalf of a licensee or prospective
40 licensee for the purpose of obtaining, maintaining, or renewing a

1 license to produce, process, transport, or sell ((marijuana))
2 cannabis as allowed under chapter 69.50 RCW;

3 (25) ((Marijuana)) Cannabis transport information, vehicle and
4 driver identification data, and account numbers or unique access
5 identifiers issued to private entities for traceability system
6 access, submitted by an individual or business to the liquor and
7 cannabis board under the requirements of RCW 69.50.325, 69.50.331,
8 69.50.342, and 69.50.345 for the purpose of ((marijuana)) cannabis
9 product traceability. Disclosure to local, state, and federal
10 officials is not considered public disclosure for purposes of this
11 section;

12 (26) Financial and commercial information submitted to or
13 obtained by the retirement board of any city that is responsible for
14 the management of an employees' retirement system pursuant to the
15 authority of chapter 35.39 RCW, when the information relates to
16 investments in private funds, to the extent that such information, if
17 revealed, would reasonably be expected to result in loss to the
18 retirement fund or to result in private loss to the providers of this
19 information except that (a) the names and commitment amounts of the
20 private funds in which retirement funds are invested and (b) the
21 aggregate quarterly performance results for a retirement fund's
22 portfolio of investments in such funds are subject to disclosure;

23 (27) Proprietary financial, commercial, operations, and technical
24 and research information and data submitted to or obtained by the
25 liquor and cannabis board in applications for ((marijuana)) cannabis
26 research licenses under RCW 69.50.372, or in reports submitted by
27 ((marijuana)) cannabis research licensees in accordance with rules
28 adopted by the liquor and cannabis board under RCW 69.50.372;

29 (28) Trade secrets, technology, proprietary information, and
30 financial considerations contained in any agreements or contracts,
31 entered into by a licensed ((marijuana)) cannabis business under RCW
32 69.50.395, which may be submitted to or obtained by the state liquor
33 and cannabis board;

34 (29) Financial, commercial, operations, and technical and
35 research information and data submitted to or obtained by the Andy
36 Hill cancer research endowment program in applications for, or
37 delivery of, grants under chapter 43.348 RCW, to the extent that such
38 information, if revealed, would reasonably be expected to result in
39 private loss to providers of this information;

1 (30) Proprietary information filed with the department of health
2 under chapter 69.48 RCW;

3 (31) Records filed with the department of ecology under chapter
4 (~~(70.375)~~) 70A.515 RCW that a court has determined are confidential
5 valuable commercial information under RCW (~~(70.375.130)~~) 70A.515.130;
6 and

7 (32) Unaggregated financial, proprietary, or commercial
8 information submitted to or obtained by the liquor and cannabis board
9 in applications for licenses under RCW 66.24.140 or 66.24.145, or in
10 any reports or remittances submitted by a person licensed under RCW
11 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis
12 board under chapter 66.08 RCW.

13 **Sec. 27.** RCW 42.56.620 and 2015 2nd sp.s. c 4 s 1504 are each
14 amended to read as follows:

15 Reports submitted by (~~(marijuana)~~) cannabis research licensees in
16 accordance with rules adopted by the state liquor and cannabis board
17 under RCW 69.50.372 that contain proprietary information are exempt
18 from disclosure under this chapter.

19 **Sec. 28.** RCW 42.56.625 and 2015 c 70 s 22 are each amended to
20 read as follows:

21 Records in the medical (~~(marijuana)~~) cannabis authorization
22 database established in RCW 69.51A.230 containing names and other
23 personally identifiable information of qualifying patients and
24 designated providers are exempt from disclosure under this chapter.

25 **Sec. 29.** RCW 42.56.630 and 2015 2nd sp.s. c 4 s 1002 are each
26 amended to read as follows:

27 (1) Registration information submitted to the state liquor and
28 cannabis board under RCW 69.51A.250 including the names of all
29 participating members of a cooperative, copies of each member's
30 recognition card, location of the cooperative, and other information
31 required for registration by the state liquor and cannabis board is
32 exempt from disclosure under this chapter.

33 (2) The definitions in this section apply throughout this section
34 unless the context clearly requires otherwise.

35 (a) "Cooperative" means a cooperative established under RCW
36 69.51A.250 to produce and process (~~(marijuana)~~) cannabis only for the
37 medical use of members of the cooperative.

1 (b) "Recognition card" has the same meaning as provided in RCW
2 69.51A.010.

3 **Sec. 30.** RCW 43.05.160 and 2019 c 394 s 2 are each amended to
4 read as follows:

5 (1) If, during an inspection or visit to a (~~marijuana~~) cannabis
6 business licensed under chapter 69.50 RCW that is not a technical
7 assistance visit, the liquor and cannabis board becomes aware of
8 conditions that are not in compliance with applicable laws and rules
9 enforced by the board and are not subject to civil penalties as
10 provided for in RCW 69.50.563, the board may issue a notice of
11 correction to the licensee that includes:

12 (a) A description of the condition that is not in compliance and
13 the text of the specific section or subsection of the applicable
14 state law or rule;

15 (b) A statement of what is required to achieve compliance;

16 (c) The date by which the board requires compliance to be
17 achieved;

18 (d) Notice of the means to contact any technical assistance
19 services provided by the board or others; and

20 (e) Notice of when, where, and to whom a request to extend the
21 time to achieve compliance for good cause may be filed with the
22 board.

23 (2) A notice of correction is not a formal enforcement action, is
24 not subject to appeal, and is a public record.

25 (3) If the liquor and cannabis board issues a notice of
26 correction, it may not issue a civil penalty for the violations
27 identified in the notice of correction unless the licensee fails to
28 comply with the notice.

29 **Sec. 31.** RCW 43.06.490 and 2015 c 207 s 2 are each amended to
30 read as follows:

31 (1) The governor may enter into agreements with federally
32 recognized Indian tribes concerning (~~marijuana.---Marijuana~~)
33 cannabis. Cannabis agreements may address any (~~marijuana-related~~)
34 cannabis-related issue that involves both state and tribal interests
35 or otherwise has an impact on tribal-state relations. Such agreements
36 may include, but are not limited to, the following provisions and
37 subject matter:

38 (a) Criminal and civil law enforcement;

1 (b) Regulatory issues related to the commercial production,
2 processing, sale, and possession of ((~~marijuana~~)) cannabis, and
3 processed ((~~marijuana~~)) cannabis products, for both recreational and
4 medical purposes;

5 (c) Medical and pharmaceutical research involving ((~~marijuana~~))
6 cannabis;

7 (d) Taxation in accordance with subsection (2) of this section;

8 (e) Any tribal immunities or preemption of state law regarding
9 the production, processing, or marketing of ((~~marijuana~~)) cannabis;
10 and

11 (f) Dispute resolution, including the use of mediation or other
12 nonjudicial process.

13 (2) (a) Each ((~~marijuana~~)) cannabis agreement adopted under this
14 section must provide for a tribal ((~~marijuana~~)) cannabis tax that is
15 at least one hundred percent of the state ((~~marijuana~~)) cannabis
16 excise tax imposed under RCW 69.50.535 and state and local sales and
17 use taxes on sales of ((~~marijuana~~)) cannabis. ((~~Marijuana~~)) Cannabis
18 agreements apply to sales in which tribes, tribal enterprises, or
19 tribal member-owned businesses (i) deliver or cause delivery to be
20 made to or receive delivery from a ((~~marijuana~~)) cannabis producer,
21 processor, or retailer licensed under chapter 69.50 RCW or (ii)
22 physically transfer possession of the ((~~marijuana~~)) cannabis from the
23 seller to the buyer within Indian country.

24 (b) The tribe may allow an exemption from tax for sales to the
25 tribe, tribal enterprises, tribal member-owned businesses, or tribal
26 members((~~[,]~~))_L on ((~~marijuana~~)) cannabis grown, produced, or
27 processed within its Indian country, or for activities to the extent
28 they are exempt under state or federal law from the state
29 ((~~marijuana~~)) cannabis excise tax imposed under RCW 69.50.535 or
30 state and local sales or use taxes on sales of ((~~marijuana~~))
31 cannabis. Medical ((~~marijuana~~)) cannabis products used in the course
32 of medical treatments by a clinic, hospital, or similar facility
33 owned and operated by a federally recognized Indian tribe within its
34 Indian country may be exempted from tax under the terms of an
35 agreement entered into under this section.

36 (3) Any ((~~marijuana~~)) cannabis agreement relating to the
37 production, processing, and sale of ((~~marijuana~~)) cannabis in Indian
38 country, whether for recreational or medical purposes, must address
39 the following issues:

40 (a) Preservation of public health and safety;

1 (b) Ensuring the security of production, processing, retail, and
2 research facilities; and

3 (c) Cross-border commerce in (~~(marijuana)~~) cannabis.

4 (4) The governor may delegate the power to negotiate
5 (~~(marijuana)~~) cannabis agreements to the state liquor (~~(control)~~) and
6 cannabis board. In conducting such negotiations, the state liquor
7 (~~(control)~~) and cannabis board must, when necessary, consult with the
8 governor and/or the department of revenue.

9 (5) The definitions in this subsection apply throughout this
10 section unless the context clearly requires otherwise.

11 (a) "Indian country" has the same meaning as in RCW 82.24.010.

12 (b) "Indian tribe" or "tribe" means a federally recognized Indian
13 tribe located within the geographical boundaries of the state of
14 Washington.

15 (c) (~~("Marijuana")~~) "Cannabis" means (~~("marijuana," "marijuana")~~)
16 "cannabis," "cannabis concentrates," (~~("marijuana-infused")~~)
17 "cannabis-infused products," and "useable (~~(marijuana)~~) cannabis," as
18 those terms are defined in RCW 69.50.101.

19 **Sec. 32.** RCW 43.06.520 and 2020 c 132 s 1 are each amended to
20 read as follows:

21 (1) The legislature intends to further the government-to-
22 government relationship between the state of Washington and federally
23 recognized Indian tribes in the state of Washington by authorizing
24 the governor to enter into compacts concerning the state's retail
25 sales, use, and business and occupation taxes on certain activities.

26 (2) The legislature finds that these compacts will benefit all
27 Washingtonians by providing a means to promote economic development
28 and providing needed revenues for tribal governments and Indian
29 persons.

30 (3) The state and the tribes have a long-standing history of
31 working together to develop cooperative agreements on taxation for
32 cigarettes, fuel, timber, and (~~(marijuana)~~) cannabis. It is the
33 legislature's intent, given the positive experiences from the nearly
34 two decades of cooperation, to build on these successes and provide
35 the governor with the authority to address state sales, use, and
36 business and occupation taxes on certain activities.

37 (4) In addition, it is the legislature's intent that these
38 compacts will have no impact on the taxation of any transaction that

1 is the subject of other compacts, contracts, or agreements authorized
2 elsewhere in this chapter.

3 (5) For the purposes of this section, "cannabis" has the meaning
4 provided in RCW 69.50.101.

5 **Sec. 33.** RCW 43.21A.735 and 2019 c 277 s 3 are each amended to
6 read as follows:

7 (1)(a) The cannabis science task force is established with
8 members as provided in this subsection.

9 (i) The directors, or the directors' appointees, of the
10 departments of agriculture, health, ecology, and the liquor and
11 cannabis board must each serve as members on the task force.

12 (ii) A majority of the four agency task force members will select
13 additional members, as follows:

14 (A) Representatives with expertise in chemistry, microbiology,
15 toxicology, public health, and/or food and agricultural testing
16 methods from state and local agencies and tribal governments; and

17 (B) Nongovernmental cannabis industry scientists.

18 (b) The director or the director's designee from the department
19 of ecology must serve as chair of the task force.

20 (2)(a) The cannabis science task force must:

21 (i) Collaborate on the development of appropriate laboratory
22 quality standards for ~~((marijuana))~~ cannabis product testing
23 laboratories;

24 (ii) Establish two work groups:

25 (A) A proficiency testing program work group to be led by the
26 department; and

27 (B) A laboratory quality standards work group to be led by the
28 department of agriculture. At a minimum this work group will address
29 appropriate approved testing methods, method validation protocols,
30 and method performance criteria.

31 (b) The cannabis science task force may reorganize the work
32 groups or create additional work groups as necessary.

33 (3) Staff support for the cannabis science task force must be
34 provided by the department.

35 (4) Reimbursement for members is subject to chapter 43.03 RCW.

36 (5) Expenses of the cannabis science task force must be paid by
37 the department.

38 (6) The cannabis science task force must submit a report to the
39 relevant committees of the legislature by July 1, 2020, that includes

1 the findings and recommendations for laboratory quality standards for
2 pesticides in plants for ((~~marijuana~~)) cannabis product testing
3 laboratories. The report must include, but is not limited to,
4 recommendations relating to the following:

- 5 (a) Appropriate approved testing methods;
- 6 (b) Method validation protocols;
- 7 (c) Method performance criteria;
- 8 (d) Sampling and homogenization protocols;
- 9 (e) Proficiency testing; and

10 (f) Regulatory updates related to (a) through (e) of this
11 subsection, by which agencies, and the timing of these updates.

12 (7) To the fullest extent possible, the task force must consult
13 with other jurisdictions that have established, or are establishing,
14 ((~~marijuana~~)) cannabis product testing programs.

15 (8) Following development of findings and recommendations for
16 laboratory quality standards for pesticides in plants for
17 ((~~marijuana~~)) cannabis product testing laboratories, the task force
18 must develop findings and recommendations for additional laboratory
19 quality standards, including, but not limited to, heavy metals in and
20 potency of ((~~marijuana~~)) cannabis products.

21 (a) The cannabis science task force must submit a report on the
22 findings and recommendations for these additional standards to the
23 relevant committees of the legislature by December 1, 2021.

24 (b) The report must include recommendations pertaining to the
25 items listed in subsection (6)(a) through (f) of this section.

26 (9) The task force must hold its first meeting by September 1,
27 2019.

28 (10) This section expires December 31, 2022.

29 **Sec. 34.** RCW 43.330.540 and 2020 c 236 s 3 are each amended to
30 read as follows:

31 (1) The ((~~marijuana~~)) cannabis social equity technical assistance
32 competitive grant program is established and is to be administered by
33 the department.

34 (2) The ((~~marijuana~~)) cannabis social equity technical assistance
35 competitive grant program must award grants on a competitive basis to
36 ((~~marijuana~~)) cannabis retailer license applicants who are social
37 equity applicants submitting social equity plans under RCW 69.50.335.
38 The department must award grants primarily based on the strength of
39 the social equity plans submitted by applicants but may also consider

1 additional criteria if deemed necessary or appropriate by the
2 department. Technical assistance activities eligible for funding
3 under the ((~~marijuana~~)) cannabis social equity technical assistance
4 competitive grant program include, but are not limited to:

5 (a) Assistance navigating the ((~~marijuana~~)) cannabis retailer
6 licensure process;

7 (b) ((~~Marijuana-business~~)) Cannabis-business specific education
8 and business plan development;

9 (c) Regulatory compliance training;

10 (d) Financial management training and assistance in seeking
11 financing; and

12 (e) Connecting social equity applicants with established industry
13 members and tribal ((~~marijuana~~)) cannabis enterprises and programs
14 for mentoring and other forms of support approved by the
15 ((~~Washington state liquor and cannabis~~)) liquor and cannabis board.

16 (3) Funding for the ((~~marijuana~~)) cannabis social equity
17 technical assistance competitive grant program must be provided
18 through the dedicated ((~~marijuana~~)) cannabis account under RCW
19 69.50.540. Additionally, the department may solicit, receive, and
20 expend private contributions to support the grant program.

21 (4) The department may adopt rules to implement this section.

22 NEW SECTION. **Sec. 35.** A new section is added to chapter 46.04
23 RCW to read as follows:

24 "Cannabis," except as otherwise provided in this title, has the
25 meaning provided in RCW 69.50.101.

26 **Sec. 36.** RCW 46.20.308 and 2019 c 232 s 21 are each amended to
27 read as follows:

28 (1) Any person who operates a motor vehicle within this state is
29 deemed to have given consent, subject to the provisions of RCW
30 46.61.506, to a test or tests of his or her breath for the purpose of
31 determining the alcohol concentration in his or her breath if
32 arrested for any offense where, at the time of the arrest, the
33 arresting officer has reasonable grounds to believe the person had
34 been driving or was in actual physical control of a motor vehicle
35 while under the influence of intoxicating liquor or any drug or was
36 in violation of RCW 46.61.503.

37 (2) The test or tests of breath shall be administered at the
38 direction of a law enforcement officer having reasonable grounds to

1 believe the person to have been driving or in actual physical control
2 of a motor vehicle within this state while under the influence of
3 intoxicating liquor or any drug or the person to have been driving or
4 in actual physical control of a motor vehicle while having alcohol in
5 a concentration in violation of RCW 46.61.503 in his or her system
6 and being under the age of twenty-one. Prior to administering a
7 breath test pursuant to this section, the officer shall inform the
8 person of his or her right under this section to refuse the breath
9 test, and of his or her right to have additional tests administered
10 by any qualified person of his or her choosing as provided in RCW
11 46.61.506. The officer shall warn the driver, in substantially the
12 following language, that:

13 (a) If the driver refuses to take the test, the driver's license,
14 permit, or privilege to drive will be revoked or denied for at least
15 one year; and

16 (b) If the driver refuses to take the test, the driver's refusal
17 to take the test may be used in a criminal trial; and

18 (c) If the driver submits to the test and the test is
19 administered, the driver's license, permit, or privilege to drive
20 will be suspended, revoked, or denied for at least ninety days if:

21 (i) The driver is age twenty-one or over and the test indicates
22 either that the alcohol concentration of the driver's breath is 0.08
23 or more; or

24 (ii) The driver is under age twenty-one and the test indicates
25 either that the alcohol concentration of the driver's breath is 0.02
26 or more; or

27 (iii) The driver is under age twenty-one and the driver is in
28 violation of RCW 46.61.502 or 46.61.504; and

29 (d) If the driver's license, permit, or privilege to drive is
30 suspended, revoked, or denied the driver may be eligible to
31 immediately apply for an ignition interlock driver's license.

32 (3) If, following his or her arrest and receipt of warnings under
33 subsection (2) of this section, the person arrested exercises the
34 right, granted herein, by refusing upon the request of a law
35 enforcement officer to submit to a test or tests of his or her
36 breath, no test shall be given except as otherwise authorized by law.

37 (4) Nothing in subsection (1), (2), or (3) of this section
38 precludes a law enforcement officer from obtaining a person's blood
39 to test for alcohol, (~~marijuana~~) cannabis, or any drug, pursuant to
40 a search warrant, a valid waiver of the warrant requirement, when

1 exigent circumstances exist, or under any other authority of law. Any
2 blood drawn for the purpose of determining the person's alcohol,
3 (~~marijuana~~) cannabis levels, or any drug, is drawn pursuant to this
4 section when the officer has reasonable grounds to believe that the
5 person is in physical control or driving a vehicle under the
6 influence or in violation of RCW 46.61.503.

7 (5) If, after arrest and after any other applicable conditions
8 and requirements of this section have been satisfied, a test or tests
9 of the person's blood or breath is administered and the test results
10 indicate that the alcohol concentration of the person's breath or
11 blood is 0.08 or more, or the THC concentration of the person's blood
12 is 5.00 or more, if the person is age twenty-one or over, or that the
13 alcohol concentration of the person's breath or blood is 0.02 or
14 more, or the THC concentration of the person's blood is above 0.00,
15 if the person is under the age of twenty-one, or the person refuses
16 to submit to a test, the arresting officer or other law enforcement
17 officer at whose direction any test has been given, or the
18 department, where applicable, if the arrest results in a test of the
19 person's blood, shall:

20 (a) Serve notice in writing on the person on behalf of the
21 department of its intention to suspend, revoke, or deny the person's
22 license, permit, or privilege to drive as required by subsection (6)
23 of this section;

24 (b) Serve notice in writing on the person on behalf of the
25 department of his or her right to a hearing, specifying the steps he
26 or she must take to obtain a hearing as provided by subsection (7) of
27 this section;

28 (c) Serve notice in writing that the license or permit, if any,
29 is a temporary license that is valid for thirty days from the date of
30 arrest or from the date notice has been given in the event notice is
31 given by the department following a blood test, or until the
32 suspension, revocation, or denial of the person's license, permit, or
33 privilege to drive is sustained at a hearing pursuant to subsection
34 (7) of this section, whichever occurs first. No temporary license is
35 valid to any greater degree than the license or permit that it
36 replaces; and

37 (d) Immediately notify the department of the arrest and transmit
38 to the department within seventy-two hours, except as delayed as the
39 result of a blood test, a sworn report or report under a declaration
40 authorized by chapter 5.50 RCW that states:

1 (i) That the officer had reasonable grounds to believe the
2 arrested person had been driving or was in actual physical control of
3 a motor vehicle within this state while under the influence of
4 intoxicating liquor or drugs, or both, or was under the age of
5 twenty-one years and had been driving or was in actual physical
6 control of a motor vehicle while having an alcohol or THC
7 concentration in violation of RCW 46.61.503;

8 (ii) That after receipt of any applicable warnings required by
9 subsection (2) of this section the person refused to submit to a test
10 of his or her breath, or a test was administered and the results
11 indicated that the alcohol concentration of the person's breath or
12 blood was 0.08 or more, or the THC concentration of the person's
13 blood was 5.00 or more, if the person is age twenty-one or over, or
14 that the alcohol concentration of the person's breath or blood was
15 0.02 or more, or the THC concentration of the person's blood was
16 above 0.00, if the person is under the age of twenty-one; and

17 (iii) Any other information that the director may require by
18 rule.

19 (6) The department of licensing, upon the receipt of a sworn
20 report or report under a declaration authorized by chapter 5.50 RCW
21 under subsection (5)(d) of this section, shall suspend, revoke, or
22 deny the person's license, permit, or privilege to drive or any
23 nonresident operating privilege, as provided in RCW 46.20.3101, such
24 suspension, revocation, or denial to be effective beginning thirty
25 days from the date of arrest or from the date notice has been given
26 in the event notice is given by the department following a blood
27 test, or when sustained at a hearing pursuant to subsection (7) of
28 this section, whichever occurs first.

29 (7) A person receiving notification under subsection (5)(b) of
30 this section may, within seven days after the notice has been given,
31 request in writing a formal hearing before the department. The person
32 shall pay a fee of three hundred seventy-five dollars as part of the
33 request. If the request is mailed, it must be postmarked within seven
34 days after receipt of the notification. Upon timely receipt of such a
35 request for a formal hearing, including receipt of the required three
36 hundred seventy-five dollar fee, the department shall afford the
37 person an opportunity for a hearing. The department may waive the
38 required three hundred seventy-five dollar fee if the person is an
39 indigent as defined in RCW 10.101.010. Except as otherwise provided
40 in this section, the hearing is subject to and shall be scheduled and

1 conducted in accordance with RCW 46.20.329 and 46.20.332. The hearing
2 shall be conducted in the county of the arrest, except that all or
3 part of the hearing may, at the discretion of the department, be
4 conducted by telephone or other electronic means. The hearing shall
5 be held within thirty days, excluding Saturdays, Sundays, and legal
6 holidays, following the date of timely receipt of such request for a
7 formal hearing before the department or thirty days, excluding
8 Saturdays, Sundays, and legal holidays following the date notice has
9 been given in the event notice is given by the department following a
10 blood test, unless otherwise agreed to by the department and the
11 person, in which case the action by the department shall be stayed,
12 and any valid temporary license under subsection (5) of this section
13 extended, if the person is otherwise eligible for licensing. Unless
14 otherwise agreed to by the department and the person, the department
15 must give five days notice of the hearing to the person. For the
16 purposes of this section, the scope of the hearing shall cover the
17 issues of whether a law enforcement officer had reasonable grounds to
18 believe the person had been driving or was in actual physical control
19 of a motor vehicle within this state while under the influence of
20 intoxicating liquor or any drug or had been driving or was in actual
21 physical control of a motor vehicle within this state while having
22 alcohol in his or her system in a concentration of 0.02 or more, or
23 THC in his or her system in a concentration above 0.00, if the person
24 was under the age of twenty-one, whether the person was placed under
25 arrest, and (a) whether the person refused to submit to the test or
26 tests upon request of the officer after having been informed that
27 such refusal would result in the revocation of the person's license,
28 permit, or privilege to drive, or (b) if a test or tests were
29 administered, whether the applicable requirements of this section
30 were satisfied before the administration of the test or tests,
31 whether the person submitted to the test or tests, or whether a test
32 was administered pursuant to a search warrant, a valid waiver of the
33 warrant requirement, when exigent circumstances exist, or under any
34 other authority of law as permitted under this section, and whether
35 the test or tests indicated that the alcohol concentration of the
36 person's breath or blood was 0.08 or more, or the THC concentration
37 of the person's blood was 5.00 or more, if the person was age twenty-
38 one or over at the time of the arrest, or that the alcohol
39 concentration of the person's breath or blood was 0.02 or more, or
40 the THC concentration of the person's blood was above 0.00, if the

1 person was under the age of twenty-one at the time of the arrest.
2 Where a person is found to be in actual physical control of a motor
3 vehicle while under the influence of intoxicating liquor or any drug
4 or was under the age of twenty-one at the time of the arrest and was
5 in physical control of a motor vehicle while having alcohol in his or
6 her system in a concentration of 0.02 or THC concentration above
7 0.00, the person may petition the hearing officer to apply the
8 affirmative defense found in RCW 46.61.504(3) and 46.61.503(2). The
9 driver has the burden to prove the affirmative defense by a
10 preponderance of the evidence. The sworn report or report under a
11 declaration authorized by chapter 5.50 RCW submitted by a law
12 enforcement officer is prima facie evidence that the officer had
13 reasonable grounds to believe the person had been driving or was in
14 actual physical control of a motor vehicle within this state while
15 under the influence of intoxicating liquor or drugs, or both, or the
16 person had been driving or was in actual physical control of a motor
17 vehicle within this state while having alcohol in his or her system
18 in a concentration of 0.02 or more, or THC in his or her system in a
19 concentration above 0.00, and was under the age of twenty-one and
20 that the officer complied with the requirements of this section.

21 A hearing officer shall conduct the hearing, may issue subpoenas
22 for the attendance of witnesses and the production of documents, and
23 shall administer oaths to witnesses. The hearing officer shall not
24 issue a subpoena for the attendance of a witness at the request of
25 the person unless the request is accompanied by the fee required by
26 RCW 5.56.010 for a witness in district court. The sworn report or
27 report under a declaration authorized by chapter 5.50 RCW of the law
28 enforcement officer and any other evidence accompanying the report
29 shall be admissible without further evidentiary foundation and the
30 certifications authorized by the criminal rules for courts of limited
31 jurisdiction shall be admissible without further evidentiary
32 foundation. The person may be represented by counsel, may question
33 witnesses, may present evidence, and may testify. The department
34 shall order that the suspension, revocation, or denial either be
35 rescinded or sustained.

36 (8) If the suspension, revocation, or denial is sustained after
37 such a hearing, the person whose license, privilege, or permit is
38 suspended, revoked, or denied has the right to file a petition in the
39 superior court of the county of arrest to review the final order of
40 revocation by the department in the same manner as an appeal from a

1 decision of a court of limited jurisdiction. Notice of appeal must be
2 filed within thirty days after the date the final order is served or
3 the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ
4 1.1, or other statutes or rules referencing de novo review, the
5 appeal shall be limited to a review of the record of the
6 administrative hearing. The appellant must pay the costs associated
7 with obtaining the record of the hearing before the hearing officer.
8 The filing of the appeal does not stay the effective date of the
9 suspension, revocation, or denial. A petition filed under this
10 subsection must include the petitioner's grounds for requesting
11 review. Upon granting petitioner's request for review, the court
12 shall review the department's final order of suspension, revocation,
13 or denial as expeditiously as possible. The review must be limited to
14 a determination of whether the department has committed any errors of
15 law. The superior court shall accept those factual determinations
16 supported by substantial evidence in the record: (a) That were
17 expressly made by the department; or (b) that may reasonably be
18 inferred from the final order of the department. The superior court
19 may reverse, affirm, or modify the decision of the department or
20 remand the case back to the department for further proceedings. The
21 decision of the superior court must be in writing and filed in the
22 clerk's office with the other papers in the case. The court shall
23 state the reasons for the decision. If judicial relief is sought for
24 a stay or other temporary remedy from the department's action, the
25 court shall not grant such relief unless the court finds that the
26 appellant is likely to prevail in the appeal and that without a stay
27 the appellant will suffer irreparable injury. If the court stays the
28 suspension, revocation, or denial it may impose conditions on such
29 stay.

30 (9) (a) If a person whose driver's license, permit, or privilege
31 to drive has been or will be suspended, revoked, or denied under
32 subsection (6) of this section, other than as a result of a breath
33 test refusal, and who has not committed an offense for which he or
34 she was granted a deferred prosecution under chapter 10.05 RCW,
35 petitions a court for a deferred prosecution on criminal charges
36 arising out of the arrest for which action has been or will be taken
37 under subsection (6) of this section, or notifies the department of
38 licensing of the intent to seek such a deferred prosecution, then the
39 license suspension or revocation shall be stayed pending entry of the
40 deferred prosecution. The stay shall not be longer than one hundred

1 fifty days after the date charges are filed, or two years after the
2 date of the arrest, whichever time period is shorter. If the court
3 stays the suspension, revocation, or denial, it may impose conditions
4 on such stay. If the person is otherwise eligible for licensing, the
5 department shall issue a temporary license, or extend any valid
6 temporary license under subsection (5) of this section, for the
7 period of the stay. If a deferred prosecution treatment plan is not
8 recommended in the report made under RCW 10.05.050, or if treatment
9 is rejected by the court, or if the person declines to accept an
10 offered treatment plan, or if the person violates any condition
11 imposed by the court, then the court shall immediately direct the
12 department to cancel the stay and any temporary license or extension
13 of a temporary license issued under this subsection.

14 (b) A suspension, revocation, or denial imposed under this
15 section, other than as a result of a breath test refusal, shall be
16 stayed if the person is accepted for deferred prosecution as provided
17 in chapter 10.05 RCW for the incident upon which the suspension,
18 revocation, or denial is based. If the deferred prosecution is
19 terminated, the stay shall be lifted and the suspension, revocation,
20 or denial reinstated. If the deferred prosecution is completed, the
21 stay shall be lifted and the suspension, revocation, or denial
22 canceled.

23 (c) The provisions of (b) of this subsection relating to a stay
24 of a suspension, revocation, or denial and the cancellation of any
25 suspension, revocation, or denial do not apply to the suspension,
26 revocation, denial, or disqualification of a person's commercial
27 driver's license or privilege to operate a commercial motor vehicle.

28 (10) When it has been finally determined under the procedures of
29 this section that a nonresident's privilege to operate a motor
30 vehicle in this state has been suspended, revoked, or denied, the
31 department shall give information in writing of the action taken to
32 the motor vehicle administrator of the state of the person's
33 residence and of any state in which he or she has a license.

34 **Sec. 37.** RCW 46.25.120 and 2015 2nd sp.s. c 3 s 7 are each
35 amended to read as follows:

36 (1) A person who drives a commercial motor vehicle within this
37 state is deemed to have given consent, subject to RCW 46.61.506, to
38 take a test or tests of that person's breath for the purpose of
39 determining that person's alcohol concentration.

1 (2) A test or tests may be administered at the direction of a law
2 enforcement officer, who after stopping or detaining the commercial
3 motor vehicle driver, has reasonable grounds to believe that driver
4 was driving a commercial motor vehicle while having alcohol in his or
5 her system or while under the influence of any drug.

6 (3) The law enforcement officer requesting the test under
7 subsection (1) of this section shall warn the person requested to
8 submit to the test that a refusal to submit will result in that
9 person being disqualified from operating a commercial motor vehicle
10 under RCW 46.25.090.

11 (4) A law enforcement officer who at the time of stopping or
12 detaining a commercial motor vehicle driver has reasonable grounds to
13 believe that driver was driving a commercial motor vehicle while
14 having alcohol, (~~marijuana~~) cannabis, or any drug in his or her
15 system or while under the influence of alcohol, (~~marijuana~~)
16 cannabis, or any drug may obtain a blood test pursuant to a search
17 warrant, a valid waiver of the warrant requirement, when exigent
18 circumstances exist, or under any other authority of law.

19 (5) If the person refuses testing, or a test is administered that
20 discloses an alcohol concentration of 0.04 or more or any measurable
21 amount of THC concentration, the law enforcement officer shall submit
22 a sworn report to the department certifying that the test was
23 requested pursuant to subsection (1) of this section or a blood test
24 was administered pursuant to subsection (4) of this section and that
25 the person refused to submit to testing, or a test was administered
26 that disclosed an alcohol concentration of 0.04 or more or any
27 measurable amount of THC concentration.

28 (6) Upon receipt of the sworn report of a law enforcement officer
29 under subsection (5) of this section, the department shall disqualify
30 the driver from driving a commercial motor vehicle under RCW
31 46.25.090, subject to the hearing provisions of RCW 46.20.329 and
32 46.20.332. The hearing shall be conducted in the county of the
33 arrest. For the purposes of this section, the hearing shall cover the
34 issues of whether a law enforcement officer had reasonable grounds to
35 believe the person had been driving or was in actual physical control
36 of a commercial motor vehicle within this state while having alcohol
37 in the person's system or while under the influence of any drug,
38 whether the person refused to submit to the test or tests upon
39 request of the officer after having been informed that the refusal
40 would result in the disqualification of the person from driving a

1 commercial motor vehicle, if applicable, and, if the test was
2 administered, whether the results indicated an alcohol concentration
3 of 0.04 percent or more or any measurable amount of THC
4 concentration. The department shall order that the disqualification
5 of the person either be rescinded or sustained. Any decision by the
6 department disqualifying a person from driving a commercial motor
7 vehicle is stayed and does not take effect while a formal hearing is
8 pending under this section or during the pendency of a subsequent
9 appeal to superior court so long as there is no conviction for a
10 moving violation or no finding that the person has committed a
11 traffic infraction that is a moving violation during the pendency of
12 the hearing and appeal. If the disqualification of the person is
13 sustained after the hearing, the person who is disqualified may file
14 a petition in the superior court of the county of arrest to review
15 the final order of disqualification by the department in the manner
16 provided in RCW 46.20.334.

17 (7) If a motor carrier or employer who is required to have a
18 testing program under 49 C.F.R. 382 knows that a commercial driver in
19 his or her employ has refused to submit to testing under this section
20 and has not been disqualified from driving a commercial motor
21 vehicle, the employer may notify law enforcement or his or her
22 medical review officer or breath alcohol technician that the driver
23 has refused to submit to the required testing.

24 (8) The hearing provisions of this section do not apply to those
25 persons disqualified from driving a commercial motor vehicle under
26 RCW 46.25.090(7).

27 **Sec. 38.** RCW 46.61.502 and 2017 c 335 s 1 are each amended to
28 read as follows:

29 (1) A person is guilty of driving while under the influence of
30 intoxicating liquor, (~~marijuana~~) cannabis, or any drug if the
31 person drives a vehicle within this state:

32 (a) And the person has, within two hours after driving, an
33 alcohol concentration of 0.08 or higher as shown by analysis of the
34 person's breath or blood made under RCW 46.61.506; or

35 (b) The person has, within two hours after driving, a THC
36 concentration of 5.00 or higher as shown by analysis of the person's
37 blood made under RCW 46.61.506; or

38 (c) While the person is under the influence of or affected by
39 intoxicating liquor, (~~marijuana~~) cannabis, or any drug; or

1 (d) While the person is under the combined influence of or
2 affected by intoxicating liquor, (~~marijuana~~) cannabis, and any
3 drug.

4 (2) The fact that a person charged with a violation of this
5 section is or has been entitled to use a drug under the laws of this
6 state shall not constitute a defense against a charge of violating
7 this section.

8 (3) (a) It is an affirmative defense to a violation of subsection
9 (1)(a) of this section, which the defendant must prove by a
10 preponderance of the evidence, that the defendant consumed a
11 sufficient quantity of alcohol after the time of driving and before
12 the administration of an analysis of the person's breath or blood to
13 cause the defendant's alcohol concentration to be 0.08 or more within
14 two hours after driving. The court shall not admit evidence of this
15 defense unless the defendant notifies the prosecution prior to the
16 omnibus or pretrial hearing in the case of the defendant's intent to
17 assert the affirmative defense.

18 (b) It is an affirmative defense to a violation of subsection
19 (1)(b) of this section, which the defendant must prove by a
20 preponderance of the evidence, that the defendant consumed a
21 sufficient quantity of (~~marijuana~~) cannabis after the time of
22 driving and before the administration of an analysis of the person's
23 blood to cause the defendant's THC concentration to be 5.00 or more
24 within two hours after driving. The court shall not admit evidence of
25 this defense unless the defendant notifies the prosecution prior to
26 the omnibus or pretrial hearing in the case of the defendant's intent
27 to assert the affirmative defense.

28 (4) (a) Analyses of blood or breath samples obtained more than two
29 hours after the alleged driving may be used as evidence that within
30 two hours of the alleged driving, a person had an alcohol
31 concentration of 0.08 or more in violation of subsection (1)(a) of
32 this section, and in any case in which the analysis shows an alcohol
33 concentration above 0.00 may be used as evidence that a person was
34 under the influence of or affected by intoxicating liquor or any drug
35 in violation of subsection (1)(c) or (d) of this section.

36 (b) Analyses of blood samples obtained more than two hours after
37 the alleged driving may be used as evidence that within two hours of
38 the alleged driving, a person had a THC concentration of 5.00 or more
39 in violation of subsection (1)(b) of this section, and in any case in
40 which the analysis shows a THC concentration above 0.00 may be used

1 as evidence that a person was under the influence of or affected by
2 (~~marijuana~~) cannabis in violation of subsection (1)(c) or (d) of
3 this section.

4 (5) Except as provided in subsection (6) of this section, a
5 violation of this section is a gross misdemeanor.

6 (6) It is a class B felony punishable under chapter 9.94A RCW, or
7 chapter 13.40 RCW if the person is a juvenile, if:

8 (a) The person has three or more prior offenses within ten years
9 as defined in RCW 46.61.5055; or

10 (b) The person has ever previously been convicted of:

11 (i) Vehicular homicide while under the influence of intoxicating
12 liquor or any drug, RCW 46.61.520(1)(a);

13 (ii) Vehicular assault while under the influence of intoxicating
14 liquor or any drug, RCW 46.61.522(1)(b);

15 (iii) An out-of-state offense comparable to the offense specified
16 in (b)(i) or (ii) of this subsection; or

17 (iv) A violation of this subsection (6) or RCW 46.61.504(6).

18 **Sec. 39.** RCW 46.61.503 and 2015 2nd sp.s. c 3 s 14 are each
19 amended to read as follows:

20 (1) Notwithstanding any other provision of this title, a person
21 is guilty of driving or being in physical control of a motor vehicle
22 after consuming alcohol or (~~marijuana~~) cannabis if the person
23 operates or is in physical control of a motor vehicle within this
24 state and the person:

25 (a) Is under the age of twenty-one; and

26 (b) Has, within two hours after operating or being in physical
27 control of the motor vehicle, either:

28 (i) An alcohol concentration of at least 0.02 but less than the
29 concentration specified in RCW 46.61.502, as shown by analysis of the
30 person's breath or blood made under RCW 46.61.506; or

31 (ii) A THC concentration above 0.00 but less than the
32 concentration specified in RCW 46.61.502, as shown by analysis of the
33 person's blood made under RCW 46.61.506.

34 (2) It is an affirmative defense to a violation of subsection (1)
35 of this section, which the defendant must prove by a preponderance of
36 the evidence, that the defendant consumed a sufficient quantity of
37 alcohol or (~~marijuana~~) cannabis after the time of driving or being
38 in physical control and before the administration of an analysis of
39 the person's breath or blood to cause the defendant's alcohol or THC

1 concentration to be in violation of subsection (1) of this section
2 within two hours after driving or being in physical control. The
3 court shall not admit evidence of this defense unless the defendant
4 notifies the prosecution prior to the earlier of: (a) Seven days
5 prior to trial; or (b) the omnibus or pretrial hearing in the case of
6 the defendant's intent to assert the affirmative defense.

7 (3) No person may be convicted under this section for being in
8 physical control of a motor vehicle and it is an affirmative defense
9 to any action pursuant to RCW 46.20.308 to suspend, revoke, or deny
10 the privilege to drive, if, prior to being pursued by a law
11 enforcement officer, the person has moved the vehicle safely off the
12 roadway.

13 (4) Analyses of blood or breath samples obtained more than two
14 hours after the alleged driving or being in physical control may be
15 used as evidence that within two hours of the alleged driving or
16 being in physical control, a person had an alcohol or THC
17 concentration in violation of subsection (1) of this section.

18 (5) A violation of this section is a misdemeanor.

19 **Sec. 40.** RCW 46.61.504 and 2017 c 335 s 2 are each amended to
20 read as follows:

21 (1) A person is guilty of being in actual physical control of a
22 motor vehicle while under the influence of intoxicating liquor or any
23 drug if the person has actual physical control of a vehicle within
24 this state:

25 (a) And the person has, within two hours after being in actual
26 physical control of the vehicle, an alcohol concentration of 0.08 or
27 higher as shown by analysis of the person's breath or blood made
28 under RCW 46.61.506; or

29 (b) The person has, within two hours after being in actual
30 physical control of a vehicle, a THC concentration of 5.00 or higher
31 as shown by analysis of the person's blood made under RCW 46.61.506;
32 or

33 (c) While the person is under the influence of or affected by
34 intoxicating liquor or any drug; or

35 (d) While the person is under the combined influence of or
36 affected by intoxicating liquor and any drug.

37 (2) The fact that a person charged with a violation of this
38 section is or has been entitled to use a drug under the laws of this
39 state does not constitute a defense against any charge of violating

1 this section. No person may be convicted under this section and it is
2 an affirmative defense to any action pursuant to RCW 46.20.308 to
3 suspend, revoke, or deny the privilege to drive if, prior to being
4 pursued by a law enforcement officer, the person has moved the
5 vehicle safely off the roadway.

6 (3) (a) It is an affirmative defense to a violation of subsection
7 (1)(a) of this section which the defendant must prove by a
8 preponderance of the evidence that the defendant consumed a
9 sufficient quantity of alcohol after the time of being in actual
10 physical control of the vehicle and before the administration of an
11 analysis of the person's breath or blood to cause the defendant's
12 alcohol concentration to be 0.08 or more within two hours after being
13 in such control. The court shall not admit evidence of this defense
14 unless the defendant notifies the prosecution prior to the omnibus or
15 pretrial hearing in the case of the defendant's intent to assert the
16 affirmative defense.

17 (b) It is an affirmative defense to a violation of subsection
18 (1)(b) of this section, which the defendant must prove by a
19 preponderance of the evidence, that the defendant consumed a
20 sufficient quantity of (~~marijuana~~) cannabis after the time of being
21 in actual physical control of the vehicle and before the
22 administration of an analysis of the person's blood to cause the
23 defendant's THC concentration to be 5.00 or more within two hours
24 after being in control of the vehicle. The court shall not admit
25 evidence of this defense unless the defendant notifies the
26 prosecution prior to the omnibus or pretrial hearing in the case of
27 the defendant's intent to assert the affirmative defense.

28 (4) (a) Analyses of blood or breath samples obtained more than two
29 hours after the alleged being in actual physical control of a vehicle
30 may be used as evidence that within two hours of the alleged being in
31 such control, a person had an alcohol concentration of 0.08 or more
32 in violation of subsection (1)(a) of this section, and in any case in
33 which the analysis shows an alcohol concentration above 0.00 may be
34 used as evidence that a person was under the influence of or affected
35 by intoxicating liquor or any drug in violation of subsection (1)(c)
36 or (d) of this section.

37 (b) Analyses of blood samples obtained more than two hours after
38 the alleged being in actual physical control of a vehicle may be used
39 as evidence that within two hours of the alleged being in control of
40 the vehicle, a person had a THC concentration of 5.00 or more in

1 violation of subsection (1)(b) of this section, and in any case in
2 which the analysis shows a THC concentration above 0.00 may be used
3 as evidence that a person was under the influence of or affected by
4 (~~marijuana~~) cannabis in violation of subsection (1)(c) or (d) of
5 this section.

6 (5) Except as provided in subsection (6) of this section, a
7 violation of this section is a gross misdemeanor.

8 (6) It is a class C felony punishable under chapter 9.94A RCW, or
9 chapter 13.40 RCW if the person is a juvenile, if:

10 (a) The person has three or more prior offenses within ten years
11 as defined in RCW 46.61.5055; or

12 (b) The person has ever previously been convicted of:

13 (i) Vehicular homicide while under the influence of intoxicating
14 liquor or any drug, RCW 46.61.520(1)(a);

15 (ii) Vehicular assault while under the influence of intoxicating
16 liquor or any drug, RCW 46.61.522(1)(b);

17 (iii) An out-of-state offense comparable to the offense specified
18 in (b)(i) or (ii) of this subsection; or

19 (iv) A violation of this subsection (6) or RCW 46.61.502(6).

20 **Sec. 41.** RCW 46.61.50571 and 2015 3rd sp.s. c 35 s 2 are each
21 amended to read as follows:

22 (1) A defendant who is charged with an offense involving driving
23 while under the influence as defined in RCW 46.61.502, driving under
24 age twenty-one after consuming alcohol or (~~marijuana~~) cannabis as
25 defined in RCW 46.61.503, or being in physical control of a vehicle
26 while under the influence as defined in RCW 46.61.504, shall be
27 required to appear in person before a judicial officer within one
28 judicial day after the arrest if the defendant is served with a
29 citation or complaint at the time of the arrest. A court may by local
30 court rule waive the requirement for appearance within one judicial
31 day if it provides for the appearance at the earliest practicable day
32 following arrest and establishes the method for identifying that day
33 in the rule.

34 (2) A defendant who is charged with an offense involving driving
35 while under the influence as defined in RCW 46.61.502, driving under
36 age twenty-one after consuming alcohol or (~~marijuana~~) cannabis as
37 defined in RCW 46.61.503, or being in physical control of a vehicle
38 while under the influence as defined in RCW 46.61.504, and who is not
39 served with a citation or complaint at the time of the incident,

1 shall appear in court for arraignment in person as soon as
2 practicable, but in no event later than fourteen days after the next
3 day on which court is in session following the issuance of the
4 citation or the filing of the complaint or information.

5 (3) At the time of an appearance required by this section, the
6 court shall determine the necessity of imposing conditions of
7 pretrial release according to the procedures established by court
8 rule for a preliminary appearance or an arraignment.

9 (4) Appearances required by this section are mandatory and may
10 not be waived.

11 (5) If electronic monitoring or alcohol abstinence monitoring is
12 ordered, the court shall specify who shall provide the monitoring
13 services, and the terms under which the monitoring shall be
14 performed. Upon conviction, the court may require as a condition of
15 the sentence that the defendant reimburse the providing agency for
16 the costs of the electronic monitoring or abstinence monitoring.

17 **Sec. 42.** RCW 46.61.5249 and 2013 2nd sp.s. c 35 s 16 are each
18 amended to read as follows:

19 (1)(a) A person is guilty of negligent driving in the first
20 degree if he or she operates a motor vehicle in a manner that is both
21 negligent and endangers or is likely to endanger any person or
22 property, and exhibits the effects of having consumed liquor or
23 (~~marijuana~~) cannabis or any drug or exhibits the effects of having
24 inhaled or ingested any chemical, whether or not a legal substance,
25 for its intoxicating or hallucinatory effects.

26 (b) It is an affirmative defense to negligent driving in the
27 first degree by means of exhibiting the effects of having consumed
28 any drug that must be proved by the defendant by a preponderance of
29 the evidence, that the driver has a valid prescription for the drug
30 consumed, and has been consuming it according to the prescription
31 directions and warnings.

32 (c) Negligent driving in the first degree is a misdemeanor.

33 (2) For the purposes of this section:

34 (a) "Negligent" means the failure to exercise ordinary care, and
35 is the doing of some act that a reasonably careful person would not
36 do under the same or similar circumstances or the failure to do
37 something that a reasonably careful person would do under the same or
38 similar circumstances.

1 (b) "Exhibiting the effects of having consumed liquor,
2 (~~marijuana~~) cannabis, or any drug" means that a person has the odor
3 of liquor, (~~marijuana~~) cannabis, or any drug on his or her breath,
4 or that by speech, manner, appearance, behavior, lack of
5 coordination, or otherwise exhibits that he or she has consumed
6 liquor, (~~marijuana~~) cannabis, or any drug, and either:

7 (i) Is in possession of or in close proximity to a container that
8 has or recently had liquor, (~~marijuana~~) cannabis, or any drug in
9 it; or

10 (ii) Is shown by other evidence to have recently consumed liquor,
11 (~~marijuana~~) cannabis, or any drug.

12 (c) "Exhibiting the effects of having inhaled or ingested any
13 chemical, whether or not a legal substance, for its intoxicating or
14 hallucinatory effects" means that a person by speech, manner,
15 appearance, behavior, or lack of coordination or otherwise exhibits
16 that he or she has inhaled or ingested a chemical and either:

17 (i) Is in possession of the canister or container from which the
18 chemical came; or

19 (ii) Is shown by other evidence to have recently inhaled or
20 ingested a chemical for its intoxicating or hallucinatory effects.

21 (3) Any act prohibited by this section that also constitutes a
22 crime under any other law of this state may be the basis of
23 prosecution under such other law notwithstanding that it may also be
24 the basis for prosecution under this section.

25 (4) A person convicted of negligent driving in the first degree
26 who has one or more prior offenses as defined in RCW 46.61.5055(14)
27 within seven years shall be required, under RCW 46.20.720, to install
28 an ignition interlock device on all vehicles operated by the person.

29 **Sec. 43.** RCW 46.61.745 and 2015 2nd sp.s. c 3 s 8 are each
30 amended to read as follows:

31 (1)(a) It is a traffic infraction:

32 (i) For the registered owner of a motor vehicle, or the driver if
33 the registered owner is not then present, or passengers in the
34 vehicle, to keep (~~marijuana~~) cannabis in a motor vehicle when the
35 vehicle is upon a highway, unless it is (A) in the trunk of the
36 vehicle, (B) in some other area of the vehicle not normally occupied
37 or directly accessible by the driver or passengers if the vehicle
38 does not have a trunk, or (C) in a package, container, or receptacle
39 that has not been opened or the seal broken or contents partially

1 removed. A utility compartment or glove compartment is deemed to be
2 within the area occupied by the driver and passengers;

3 (ii) To consume (~~marijuana~~) cannabis in any manner including,
4 but not limited to, smoking or ingesting in a motor vehicle when the
5 vehicle is upon the public highway; or

6 (iii) To place (~~marijuana~~) cannabis in a container specifically
7 labeled by the manufacturer of the container as containing a
8 (~~nonmarijuana~~) noncannabis substance and to then violate (a)(i) of
9 this subsection.

10 (b) There is a rebuttable presumption that it is a traffic
11 infraction if the original container of (~~marijuana~~) cannabis is
12 incorrectly labeled and there is a subsequent violation of (a)(i) of
13 this subsection.

14 (2) As used in this section, (~~"marijuana" or "marihuana"~~)
15 "cannabis" means all parts of the plant *Cannabis*, whether growing or
16 not; the seeds thereof; the resin extracted from any part of the
17 plant; and every compound, manufacture, salt, derivative, mixture, or
18 preparation of the plant, its seeds, or resin. The term does not
19 include the mature stalks of the plant, fiber produced from the
20 stalks, oil or cake made from the seeds of the plant, any other
21 compound, manufacture, salt, derivative, mixture, or preparation of
22 the mature stalks, except the resin extracted therefrom, fiber, oil,
23 or cake, or the sterilized seed of the plant which is incapable of
24 germination.

25 **Sec. 44.** RCW 66.08.050 and 2015 2nd sp.s. c 4 s 601 are each
26 amended to read as follows:

27 The board, subject to the provisions of this title and the rules,
28 must:

29 (1) Determine the nature, form and capacity of all packages to be
30 used for containing liquor kept for sale under this title;

31 (2) Execute or cause to be executed, all contracts, papers, and
32 documents in the name of the board, under such regulations as the
33 board may fix;

34 (3) Pay all customs, duties, excises, charges and obligations
35 whatsoever relating to the business of the board;

36 (4) Require bonds from all employees in the discretion of the
37 board, and to determine the amount of fidelity bond of each such
38 employee;

1 (5) Perform services for the state lottery commission to such
2 extent, and for such compensation, as may be mutually agreed upon
3 between the board and the commission;

4 (6) Accept and deposit into the general fund-local account and
5 disburse, subject to appropriation, federal grants or other funds or
6 donations from any source for the purpose of improving public
7 awareness of the health risks associated with alcohol and
8 ((marijuana)) cannabis consumption by youth and the abuse of alcohol
9 and ((marijuana)) cannabis by adults in Washington state. The board's
10 alcohol awareness program must cooperate with federal and state
11 agencies, interested organizations, and individuals to effect an
12 active public beverage alcohol awareness program. For the purposes of
13 this subsection, "cannabis" has the meaning provided in RCW
14 69.50.101;

15 (7) Monitor and regulate the practices of licensees as necessary
16 in order to prevent the theft and illegal trafficking of liquor
17 pursuant to RCW 66.28.350;

18 (8) Perform all other matters and things, whether similar to the
19 foregoing or not, to carry out the provisions of this title, and has
20 full power to do each and every act necessary to the conduct of its
21 regulatory functions, including all supplies procurement, preparation
22 and approval of forms, and every other undertaking necessary to
23 perform its regulatory functions whatsoever, subject only to audit by
24 the state auditor. However, the board has no authority to regulate
25 the content of spoken language on licensed premises where wine and
26 other liquors are served and where there is not a clear and present
27 danger of disorderly conduct being provoked by such language or to
28 restrict advertising of lawful prices.

29 **Sec. 45.** RCW 69.04.480 and 2009 c 549 s 1023 are each amended to
30 read as follows:

31 A drug or device shall be deemed to be misbranded if it is for
32 use by human beings and contains any quantity of the narcotic or
33 hypnotic substance alpha eucaine, barbituric acid, beta eucaine,
34 bromal, cannabis, as that term is defined in RCW 69.50.101,
35 carbromal, chloral, coca, cocaine, codeine, heroin, ((marijuana,))
36 morphine, opium, paraldehyde, peyote, or sulphomethane; or any
37 chemical derivative of such substance, which derivative has been
38 designated as habit forming by regulations promulgated under section
39 502(d) of the federal act; unless its label bears the name and

1 quantity or proportion of such substance or derivative and in
2 juxtaposition therewith the statement "Warning—May be habit forming."

3 **Sec. 46.** RCW 69.07.010 and 2017 c 138 s 1 are each reenacted and
4 amended to read as follows:

5 For the purposes of this chapter:

6 (1) "Board" means the state liquor and cannabis board;

7 (2) "Department" means the department of agriculture of the state
8 of Washington;

9 (3) "Director" means the director of the department;

10 (4) "Food" means any substance used for food or drink by any
11 person, including ice, bottled water, and any ingredient used for
12 components of any such substance regardless of the quantity of such
13 component;

14 (5) "Food processing" means the handling or processing of any
15 food in any manner in preparation for sale for human consumption:
16 PROVIDED, That it shall not include fresh fruit or vegetables merely
17 washed or trimmed while being prepared or packaged for sale in their
18 natural state;

19 (6) "Food processing plant" includes but is not limited to any
20 premises, plant, establishment, building, room, area, facilities and
21 the appurtenances thereto, in whole or in part, where food is
22 prepared, handled or processed in any manner for distribution or sale
23 for resale by retail outlets, restaurants, and any such other
24 facility selling or distributing to the ultimate consumer: PROVIDED,
25 That, as set forth herein, establishments processing foods in any
26 manner for resale shall be considered a food processing plant as to
27 such processing;

28 (7) "Food service establishment" shall mean any fixed or mobile
29 restaurant, coffee shop, cafeteria, short order cafe, luncheonette,
30 grill, tearoom, sandwich shop, soda fountain, tavern, bar, cocktail
31 lounge, night club, roadside stand, industrial-feeding establishment,
32 retail grocery, retail food market, retail meat market, retail
33 bakery, private, public, or nonprofit organization routinely serving
34 food, catering kitchen, commissary or similar place in which food or
35 drink is prepared for sale or for service on the premises or
36 elsewhere, and any other eating or drinking establishment or
37 operation where food is served or provided for the public with or
38 without charge.

1 For the purpose of this chapter any custom cannery or processing
2 plant where raw food products, food, or food products are processed
3 for the owner thereof, or the food processing facilities are made
4 available to the owners or persons in control of raw food products or
5 food or food products for processing in any manner, shall be
6 considered to be food processing plants;

7 (8) (~~"Marijuana"~~) "Cannabis" has the definition in RCW
8 69.50.101;

9 (9) (~~"Marijuana-infused"~~) "Cannabis-infused edible" has the same
10 meaning as "~~(marijuana-infused)~~ cannabis-infused products" as
11 defined in RCW 69.50.101, but limited to products intended for oral
12 consumption;

13 (10) (~~"Marijuana-infused"~~) "Cannabis-infused edible processing"
14 means processing, packaging, or making (~~(marijuana-infused)~~)
15 cannabis-infused edibles using (~~(marijuana, marijuana)~~) cannabis,
16 cannabis extract, or (~~(marijuana)~~) cannabis concentrates as an
17 ingredient. The term does not include preparation of (~~(marijuana)~~)
18 cannabis as an ingredient including, but not limited to, processing
19 (~~(marijuana)~~) cannabis extracts or (~~(marijuana)~~) cannabis
20 concentrates;

21 (11) (~~"Marijuana"~~) "Cannabis processor" has the definition
22 provided in RCW 69.50.101;

23 (12) "Person" means an individual, partnership, corporation, or
24 association;

25 (13) "Sale" means selling, offering for sale, holding for sale,
26 preparing for sale, trading, bartering, offering a gift as an
27 inducement for sale of, and advertising for sale in any media.

28 **Sec. 47.** RCW 69.07.020 and 2017 c 138 s 2 are each amended to
29 read as follows:

30 (1) The department shall enforce and carry out the provisions of
31 this chapter, and may adopt the necessary rules to carry out its
32 purposes.

33 (2) Such rules may include:

34 (a) Standards for temperature controls in the storage of foods,
35 so as to provide proper refrigeration.

36 (b) Standards for temperatures at which low acid foods must be
37 processed and the length of time such temperatures must be applied
38 and at what pressure in the processing of such low acid foods.

1 (c) Standards and types of recording devices that must be used in
2 providing records of the processing of low acid foods, and how they
3 shall be made available to the department of agriculture for
4 inspection.

5 (d) Requirements for the keeping of records of the temperatures,
6 times and pressures at which foods were processed, or for the
7 temperatures at which refrigerated products were stored by the
8 licensee and the furnishing of such records to the department.

9 (e) Standards that must be used to establish the temperature and
10 purity of water used in the processing of foods.

11 (3) The department may adopt rules specific to (~~marijuana-~~
12 ~~infused~~) cannabis-infused edibles. Such rules must be written and
13 interpreted to be consistent with rules adopted by the board and the
14 department of health.

15 **Sec. 48.** RCW 69.07.200 and 2017 c 138 s 4 are each amended to
16 read as follows:

17 (1) In addition to the requirements administered by the board
18 under chapter 69.50 RCW, the department shall regulate (~~marijuana-~~
19 ~~infused~~) cannabis-infused edible processing the same as other food
20 processing under this chapter, except:

21 (a) The department shall not consider foods containing
22 (~~marijuana~~) cannabis to be adulterated when produced in compliance
23 with chapter 69.50 RCW and the rules adopted by the board;

24 (b) Initial issuance and renewal for an annual (~~marijuana-~~
25 ~~infused~~) cannabis-infused edible endorsement in lieu of a food
26 processing license under RCW 69.07.040 must be made through the
27 business licensing system under chapter 19.02 RCW;

28 (c) Renewal of the endorsement must coincide with renewal of the
29 endorsement holder's (~~marijuana~~) cannabis processor license;

30 (d) The department shall adopt a penalty schedule specific to
31 (~~marijuana~~) cannabis processors, which may have values equivalent
32 to the penalty schedule adopted by the board. Such penalties are in
33 addition to any penalties imposed under the penalty schedule adopted
34 by the board; and

35 (e) The department shall notify the board of violations by
36 (~~marijuana~~) cannabis processors under this chapter.

37 (2) A (~~marijuana~~) cannabis processor that processes, packages,
38 or makes (~~marijuana-infused~~) cannabis-infused edibles must obtain

1 an annual (~~marijuana-infused~~) cannabis-infused edible endorsement,
2 as provided in this subsection (2).

3 (a) The (~~marijuana~~) cannabis processor must apply for issuance
4 and renewal for the endorsement from the department through the
5 business licensing system under chapter 19.02 RCW.

6 (b) The (~~marijuana~~) cannabis processor must have a valid
7 (~~marijuana~~) cannabis processor license before submitting an
8 application for initial endorsement. The application and initial
9 endorsement fees total eight hundred ninety-five dollars. Applicants
10 for endorsement otherwise must meet the same requirements as
11 applicants for a food processing license under this chapter
12 including, but not limited to, successful completion of inspection by
13 the department.

14 (c) Annual renewal of the endorsement must coincide with renewal
15 of the endorsement holder's (~~marijuana~~) cannabis processor license.
16 The endorsement renewal fee is eight hundred ninety-five dollars.

17 (d) A (~~marijuana~~) cannabis processor must obtain a separate
18 endorsement for each location at which the (~~marijuana~~) cannabis
19 processor intends to process (~~marijuana-infused~~) cannabis-infused
20 edibles. Premises used for (~~marijuana-infused~~) cannabis-infused
21 edible processing may not be used for processing food that does not
22 use (~~marijuana~~) cannabis as an ingredient, with the exception of
23 edibles produced solely for tasting samples or internal product
24 testing.

25 (3) The department may deny, suspend, or revoke a (~~marijuana-~~
26 ~~infused~~) cannabis-infused edible endorsement on the same grounds as
27 the department may deny, suspend, or revoke a food processor's
28 license under this chapter.

29 (4) Information about processors otherwise exempt from public
30 inspection and copying under chapter 42.56 RCW is also exempt from
31 public inspection and copying if submitted to or used by the
32 department.

33 **Sec. 49.** RCW 69.50.101 and 2020 c 133 s 2 are each amended to
34 read as follows:

35 The definitions in this section apply throughout this chapter
36 unless the context clearly requires otherwise.

37 (a) "Administer" means to apply a controlled substance, whether
38 by injection, inhalation, ingestion, or any other means, directly to
39 the body of a patient or research subject by:

1 (1) a practitioner authorized to prescribe (or, by the
2 practitioner's authorized agent); or

3 (2) the patient or research subject at the direction and in the
4 presence of the practitioner.

5 (b) "Agent" means an authorized person who acts on behalf of or
6 at the direction of a manufacturer, distributor, or dispenser. It
7 does not include a common or contract carrier, public
8 warehouseperson, or employee of the carrier or warehouseperson.

9 (c) "Board" means the Washington state liquor and cannabis board.

10 (d) "CBD concentration" has the meaning provided in RCW
11 69.51A.010.

12 (e) "CBD product" means any product containing or consisting of
13 cannabidiol.

14 (f) "Commission" means the pharmacy quality assurance commission.

15 (g) "Controlled substance" means a drug, substance, or immediate
16 precursor included in Schedules I through V as set forth in federal
17 or state laws, or federal or commission rules, but does not include
18 hemp or industrial hemp as defined in RCW 15.140.020.

19 (h)(1) "Controlled substance analog" means a substance the
20 chemical structure of which is substantially similar to the chemical
21 structure of a controlled substance in Schedule I or II and:

22 (i) that has a stimulant, depressant, or hallucinogenic effect on
23 the central nervous system substantially similar to the stimulant,
24 depressant, or hallucinogenic effect on the central nervous system of
25 a controlled substance included in Schedule I or II; or

26 (ii) with respect to a particular individual, that the individual
27 represents or intends to have a stimulant, depressant, or
28 hallucinogenic effect on the central nervous system substantially
29 similar to the stimulant, depressant, or hallucinogenic effect on the
30 central nervous system of a controlled substance included in Schedule
31 I or II.

32 (2) The term does not include:

33 (i) a controlled substance;

34 (ii) a substance for which there is an approved new drug
35 application;

36 (iii) a substance with respect to which an exemption is in effect
37 for investigational use by a particular person under Section 505 of
38 the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 355, or
39 chapter 69.77 RCW to the extent conduct with respect to the substance
40 is pursuant to the exemption; or

1 (iv) any substance to the extent not intended for human
2 consumption before an exemption takes effect with respect to the
3 substance.

4 (i) "Deliver" or "delivery" means the actual or constructive
5 transfer from one person to another of a substance, whether or not
6 there is an agency relationship.

7 (j) "Department" means the department of health.

8 (k) "Designated provider" has the meaning provided in RCW
9 69.51A.010.

10 (l) "Dispense" means the interpretation of a prescription or
11 order for a controlled substance and, pursuant to that prescription
12 or order, the proper selection, measuring, compounding, labeling, or
13 packaging necessary to prepare that prescription or order for
14 delivery.

15 (m) "Dispenser" means a practitioner who dispenses.

16 (n) "Distribute" means to deliver other than by administering or
17 dispensing a controlled substance.

18 (o) "Distributor" means a person who distributes.

19 (p) "Drug" means (1) a controlled substance recognized as a drug
20 in the official United States pharmacopoeia/national formulary or the
21 official homeopathic pharmacopoeia of the United States, or any
22 supplement to them; (2) controlled substances intended for use in the
23 diagnosis, cure, mitigation, treatment, or prevention of disease in
24 individuals or animals; (3) controlled substances (other than food)
25 intended to affect the structure or any function of the body of
26 individuals or animals; and (4) controlled substances intended for
27 use as a component of any article specified in (1), (2), or (3) of
28 this subsection. The term does not include devices or their
29 components, parts, or accessories.

30 (q) "Drug enforcement administration" means the drug enforcement
31 administration in the United States Department of Justice, or its
32 successor agency.

33 (r) "Electronic communication of prescription information" means
34 the transmission of a prescription or refill authorization for a drug
35 of a practitioner using computer systems. The term does not include a
36 prescription or refill authorization verbally transmitted by
37 telephone nor a facsimile manually signed by the practitioner.

38 (s) "Immature plant or clone" means a plant or clone that has no
39 flowers, is less than twelve inches in height, and is less than
40 twelve inches in diameter.

1 (t) "Immediate precursor" means a substance:
2 (1) that the commission has found to be and by rule designates as
3 being the principal compound commonly used, or produced primarily for
4 use, in the manufacture of a controlled substance;
5 (2) that is an immediate chemical intermediary used or likely to
6 be used in the manufacture of a controlled substance; and
7 (3) the control of which is necessary to prevent, curtail, or
8 limit the manufacture of the controlled substance.

9 (u) "Isomer" means an optical isomer, but in subsection (gg)(5)
10 of this section, RCW 69.50.204(a) (12) and (34), and 69.50.206(b)(4),
11 the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and
12 (42), and 69.50.210(c) the term includes any positional isomer; and
13 in RCW 69.50.204(a)(35), 69.50.204(c), and 69.50.208(a) the term
14 includes any positional or geometric isomer.

15 (v) "Lot" means a definite quantity of (~~marijuana, marijuana~~)
16 cannabis, cannabis concentrates, useable (~~marijuana~~) cannabis, or
17 (~~marijuana-infused~~) cannabis-infused product identified by a lot
18 number, every portion or package of which is uniform within
19 recognized tolerances for the factors that appear in the labeling.

20 (w) "Lot number" must identify the licensee by business or trade
21 name and Washington state unified business identifier number, and the
22 date of harvest or processing for each lot of (~~marijuana,~~
23 ~~marijuana~~) cannabis, cannabis concentrates, useable (~~marijuana~~)
24 cannabis, or (~~marijuana-infused~~) cannabis-infused product.

25 (x) "Manufacture" means the production, preparation, propagation,
26 compounding, conversion, or processing of a controlled substance,
27 either directly or indirectly or by extraction from substances of
28 natural origin, or independently by means of chemical synthesis, or
29 by a combination of extraction and chemical synthesis, and includes
30 any packaging or repackaging of the substance or labeling or
31 relabeling of its container. The term does not include the
32 preparation, compounding, packaging, repackaging, labeling, or
33 relabeling of a controlled substance:

34 (1) by a practitioner as an incident to the practitioner's
35 administering or dispensing of a controlled substance in the course
36 of the practitioner's professional practice; or
37 (2) by a practitioner, or by the practitioner's authorized agent
38 under the practitioner's supervision, for the purpose of, or as an
39 incident to, research, teaching, or chemical analysis and not for
40 sale.

1 (y) (~~"Marijuana" or "marihuana"~~) "Cannabis" means all parts of
2 the plant *Cannabis*, whether growing or not, with a THC concentration
3 greater than 0.3 percent on a dry weight basis; the seeds thereof;
4 the resin extracted from any part of the plant; and every compound,
5 manufacture, salt, derivative, mixture, or preparation of the plant,
6 its seeds or resin. The term does not include:

7 (1) The mature stalks of the plant, fiber produced from the
8 stalks, oil or cake made from the seeds of the plant, any other
9 compound, manufacture, salt, derivative, mixture, or preparation of
10 the mature stalks (except the resin extracted therefrom), fiber, oil,
11 or cake, or the sterilized seed of the plant which is incapable of
12 germination; or

13 (2) Hemp or industrial hemp as defined in RCW 15.140.020, seeds
14 used for licensed hemp production under chapter 15.140 RCW.

15 (z) (~~"Marijuana"~~) "Cannabis concentrates" means products
16 consisting wholly or in part of the resin extracted from any part of
17 the plant *Cannabis* and having a THC concentration greater than ten
18 percent.

19 (aa) (~~"Marijuana"~~) "Cannabis processor" means a person licensed
20 by the board to process (~~marijuana~~) cannabis into (~~marijuana~~)
21 cannabis concentrates, useable (~~marijuana~~) cannabis, and
22 (~~marijuana-infused~~) cannabis-infused products, package and label
23 (~~marijuana~~) cannabis concentrates, useable (~~marijuana~~) cannabis,
24 and (~~marijuana-infused~~) cannabis-infused products for sale in
25 retail outlets, and sell (~~marijuana~~) cannabis concentrates, useable
26 (~~marijuana~~) cannabis, and (~~marijuana-infused~~) cannabis-infused
27 products at wholesale to (~~marijuana~~) cannabis retailers.

28 (bb) (~~"Marijuana"~~) "Cannabis producer" means a person licensed
29 by the board to produce and sell (~~marijuana~~) cannabis at wholesale
30 to (~~marijuana~~) cannabis processors and other (~~marijuana~~) cannabis
31 producers.

32 (cc) (~~"Marijuana"~~) "Cannabis products" means useable
33 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
34 (~~marijuana-infused~~) cannabis-infused products as defined in this
35 section.

36 (dd) (~~"Marijuana"~~) "Cannabis researcher" means a person licensed
37 by the board to produce, process, and possess (~~marijuana~~) cannabis
38 for the purposes of conducting research on (~~marijuana and marijuana-~~
39 ~~derived~~) cannabis and cannabis-derived drug products.

1 (ee) (~~"Marijuana~~) "Cannabis retailer" means a person licensed
2 by the board to sell (~~(~~marijuana~~)~~) cannabis concentrates, useable
3 (~~(~~marijuana~~)~~) cannabis, and (~~(~~marijuana-infused~~)~~) cannabis-infused
4 products in a retail outlet.

5 (ff) (~~(~~"Marijuana-infused~~)~~) "Cannabis-infused products" means
6 products that contain (~~(~~marijuana-or-marijuana~~)~~) cannabis or cannabis
7 extracts, are intended for human use, are derived from (~~(~~marijuana~~)~~)
8 cannabis as defined in subsection (y) of this section, and have a THC
9 concentration no greater than ten percent. The term (~~(~~"marijuana-~~~~
10 ~~infused~~)) "cannabis-infused products" does not include either useable
11 (~~(~~marijuana-or-marijuana~~)~~) cannabis or cannabis concentrates.

12 (gg) "Narcotic drug" means any of the following, whether produced
13 directly or indirectly by extraction from substances of vegetable
14 origin, or independently by means of chemical synthesis, or by a
15 combination of extraction and chemical synthesis:

16 (1) Opium, opium derivative, and any derivative of opium or opium
17 derivative, including their salts, isomers, and salts of isomers,
18 whenever the existence of the salts, isomers, and salts of isomers is
19 possible within the specific chemical designation. The term does not
20 include the isoquinoline alkaloids of opium.

21 (2) Synthetic opiate and any derivative of synthetic opiate,
22 including their isomers, esters, ethers, salts, and salts of isomers,
23 esters, and ethers, whenever the existence of the isomers, esters,
24 ethers, and salts is possible within the specific chemical
25 designation.

26 (3) Poppy straw and concentrate of poppy straw.

27 (4) Coca leaves, except coca leaves and extracts of coca leaves
28 from which cocaine, ecgonine, and derivatives or ecgonine or their
29 salts have been removed.

30 (5) Cocaine, or any salt, isomer, or salt of isomer thereof.

31 (6) Cocaine base.

32 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer
33 thereof.

34 (8) Any compound, mixture, or preparation containing any quantity
35 of any substance referred to in (1) through (7) of this subsection.

36 (hh) "Opiate" means any substance having an addiction-forming or
37 addiction-sustaining liability similar to morphine or being capable
38 of conversion into a drug having addiction-forming or addiction-
39 sustaining liability. The term includes opium, substances derived
40 from opium (opium derivatives), and synthetic opiates. The term does

1 not include, unless specifically designated as controlled under RCW
2 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan
3 and its salts (dextromethorphan). The term includes the racemic and
4 levorotatory forms of dextromethorphan.

5 (ii) "Opium poppy" means the plant of the species *Papaver*
6 *somniferum* L., except its seeds.

7 (jj) "Person" means individual, corporation, business trust,
8 estate, trust, partnership, association, joint venture, government,
9 governmental subdivision or agency, or any other legal or commercial
10 entity.

11 (kk) "Plant" has the meaning provided in RCW 69.51A.010.

12 (ll) "Poppy straw" means all parts, except the seeds, of the
13 opium poppy, after mowing.

14 (mm) "Practitioner" means:

15 (1) A physician under chapter 18.71 RCW; a physician assistant
16 under chapter 18.71A RCW; an osteopathic physician and surgeon under
17 chapter 18.57 RCW; an osteopathic physician assistant under chapter
18 18.57A RCW who is licensed under RCW 18.57A.020 subject to any
19 limitations in RCW 18.57A.040; an optometrist licensed under chapter
20 18.53 RCW who is certified by the optometry board under RCW 18.53.010
21 subject to any limitations in RCW 18.53.010; a dentist under chapter
22 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW;
23 a veterinarian under chapter 18.92 RCW; a registered nurse, advanced
24 registered nurse practitioner, or licensed practical nurse under
25 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW
26 who is licensed under RCW 18.36A.030 subject to any limitations in
27 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific
28 investigator under this chapter, licensed, registered or otherwise
29 permitted insofar as is consistent with those licensing laws to
30 distribute, dispense, conduct research with respect to or administer
31 a controlled substance in the course of their professional practice
32 or research in this state.

33 (2) A pharmacy, hospital or other institution licensed,
34 registered, or otherwise permitted to distribute, dispense, conduct
35 research with respect to or to administer a controlled substance in
36 the course of professional practice or research in this state.

37 (3) A physician licensed to practice medicine and surgery, a
38 physician licensed to practice osteopathic medicine and surgery, a
39 dentist licensed to practice dentistry, a podiatric physician and
40 surgeon licensed to practice podiatric medicine and surgery, a

1 licensed physician assistant or a licensed osteopathic physician
2 assistant specifically approved to prescribe controlled substances by
3 his or her state's medical commission or equivalent and his or her
4 supervising physician, an advanced registered nurse practitioner
5 licensed to prescribe controlled substances, or a veterinarian
6 licensed to practice veterinary medicine in any state of the United
7 States.

8 (nn) "Prescription" means an order for controlled substances
9 issued by a practitioner duly authorized by law or rule in the state
10 of Washington to prescribe controlled substances within the scope of
11 his or her professional practice for a legitimate medical purpose.

12 (oo) "Production" includes the manufacturing, planting,
13 cultivating, growing, or harvesting of a controlled substance.

14 (pp) "Qualifying patient" has the meaning provided in RCW
15 69.51A.010.

16 (qq) "Recognition card" has the meaning provided in RCW
17 69.51A.010.

18 (rr) "Retail outlet" means a location licensed by the board for
19 the retail sale of (~~marijuana~~) cannabis concentrates, useable
20 (~~marijuana~~) cannabis, and (~~marijuana-infused~~) cannabis-infused
21 products.

22 (ss) "Secretary" means the secretary of health or the secretary's
23 designee.

24 (tt) "State," unless the context otherwise requires, means a
25 state of the United States, the District of Columbia, the
26 Commonwealth of Puerto Rico, or a territory or insular possession
27 subject to the jurisdiction of the United States.

28 (uu) "THC concentration" means percent of delta-9
29 tetrahydrocannabinol content per dry weight of any part of the plant
30 *Cannabis*, or per volume or weight of (~~marijuana~~) cannabis product,
31 or the combined percent of delta-9 tetrahydrocannabinol and
32 tetrahydrocannabinolic acid in any part of the plant *Cannabis*
33 regardless of moisture content.

34 (vv) "Ultimate user" means an individual who lawfully possesses a
35 controlled substance for the individual's own use or for the use of a
36 member of the individual's household or for administering to an
37 animal owned by the individual or by a member of the individual's
38 household.

39 (ww) "Useable (~~marijuana~~) cannabis" means dried (~~marijuana~~)
40 cannabis flowers. The term "useable (~~marijuana~~) cannabis" does not

1 include either (~~marijuana-infused~~) cannabis-infused products or
2 (~~marijuana~~) cannabis concentrates.

3 (xx) "Youth access" means the level of interest persons under the
4 age of twenty-one may have in a vapor product, as well as the degree
5 to which the product is available or appealing to such persons, and
6 the likelihood of initiation, use, or addiction by adolescents and
7 young adults.

8 **Sec. 50.** RCW 69.50.101 and 2020 c 133 s 2 and 2020 c 80 s 43 are
9 each reenacted and amended to read as follows:

10 The definitions in this section apply throughout this chapter
11 unless the context clearly requires otherwise.

12 (a) "Administer" means to apply a controlled substance, whether
13 by injection, inhalation, ingestion, or any other means, directly to
14 the body of a patient or research subject by:

15 (1) a practitioner authorized to prescribe (or, by the
16 practitioner's authorized agent); or

17 (2) the patient or research subject at the direction and in the
18 presence of the practitioner.

19 (b) "Agent" means an authorized person who acts on behalf of or
20 at the direction of a manufacturer, distributor, or dispenser. It
21 does not include a common or contract carrier, public
22 warehouseperson, or employee of the carrier or warehouseperson.

23 (c) "Board" means the Washington state liquor and cannabis board.

24 (d) "CBD concentration" has the meaning provided in RCW
25 69.51A.010.

26 (e) "CBD product" means any product containing or consisting of
27 cannabidiol.

28 (f) "Commission" means the pharmacy quality assurance commission.

29 (g) "Controlled substance" means a drug, substance, or immediate
30 precursor included in Schedules I through V as set forth in federal
31 or state laws, or federal or commission rules, but does not include
32 hemp or industrial hemp as defined in RCW 15.140.020.

33 (h) (1) "Controlled substance analog" means a substance the
34 chemical structure of which is substantially similar to the chemical
35 structure of a controlled substance in Schedule I or II and:

36 (i) that has a stimulant, depressant, or hallucinogenic effect on
37 the central nervous system substantially similar to the stimulant,
38 depressant, or hallucinogenic effect on the central nervous system of
39 a controlled substance included in Schedule I or II; or

1 (ii) with respect to a particular individual, that the individual
2 represents or intends to have a stimulant, depressant, or
3 hallucinogenic effect on the central nervous system substantially
4 similar to the stimulant, depressant, or hallucinogenic effect on the
5 central nervous system of a controlled substance included in Schedule
6 I or II.

7 (2) The term does not include:

8 (i) a controlled substance;

9 (ii) a substance for which there is an approved new drug
10 application;

11 (iii) a substance with respect to which an exemption is in effect
12 for investigational use by a particular person under Section 505 of
13 the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 355, or
14 chapter 69.77 RCW to the extent conduct with respect to the substance
15 is pursuant to the exemption; or

16 (iv) any substance to the extent not intended for human
17 consumption before an exemption takes effect with respect to the
18 substance.

19 (i) "Deliver" or "delivery" means the actual or constructive
20 transfer from one person to another of a substance, whether or not
21 there is an agency relationship.

22 (j) "Department" means the department of health.

23 (k) "Designated provider" has the meaning provided in RCW
24 69.51A.010.

25 (l) "Dispense" means the interpretation of a prescription or
26 order for a controlled substance and, pursuant to that prescription
27 or order, the proper selection, measuring, compounding, labeling, or
28 packaging necessary to prepare that prescription or order for
29 delivery.

30 (m) "Dispenser" means a practitioner who dispenses.

31 (n) "Distribute" means to deliver other than by administering or
32 dispensing a controlled substance.

33 (o) "Distributor" means a person who distributes.

34 (p) "Drug" means (1) a controlled substance recognized as a drug
35 in the official United States pharmacopoeia/national formulary or the
36 official homeopathic pharmacopoeia of the United States, or any
37 supplement to them; (2) controlled substances intended for use in the
38 diagnosis, cure, mitigation, treatment, or prevention of disease in
39 individuals or animals; (3) controlled substances (other than food)
40 intended to affect the structure or any function of the body of

1 individuals or animals; and (4) controlled substances intended for
2 use as a component of any article specified in (1), (2), or (3) of
3 this subsection. The term does not include devices or their
4 components, parts, or accessories.

5 (q) "Drug enforcement administration" means the drug enforcement
6 administration in the United States Department of Justice, or its
7 successor agency.

8 (r) "Electronic communication of prescription information" means
9 the transmission of a prescription or refill authorization for a drug
10 of a practitioner using computer systems. The term does not include a
11 prescription or refill authorization verbally transmitted by
12 telephone nor a facsimile manually signed by the practitioner.

13 (s) "Immature plant or clone" means a plant or clone that has no
14 flowers, is less than twelve inches in height, and is less than
15 twelve inches in diameter.

16 (t) "Immediate precursor" means a substance:

17 (1) that the commission has found to be and by rule designates as
18 being the principal compound commonly used, or produced primarily for
19 use, in the manufacture of a controlled substance;

20 (2) that is an immediate chemical intermediary used or likely to
21 be used in the manufacture of a controlled substance; and

22 (3) the control of which is necessary to prevent, curtail, or
23 limit the manufacture of the controlled substance.

24 (u) "Isomer" means an optical isomer, but in subsection (gg)(5)
25 of this section, RCW 69.50.204(a) (12) and (34), and 69.50.206(b)(4),
26 the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and
27 (42), and 69.50.210(c) the term includes any positional isomer; and
28 in RCW 69.50.204(a) (35), 69.50.204(c), and 69.50.208(a) the term
29 includes any positional or geometric isomer.

30 (v) "Lot" means a definite quantity of ((~~marijuana, marijuana~~)
31 cannabis, cannabis concentrates, useable ((~~marijuana~~) cannabis, or
32 ((~~marijuana-infused~~) cannabis-infused product identified by a lot
33 number, every portion or package of which is uniform within
34 recognized tolerances for the factors that appear in the labeling.

35 (w) "Lot number" must identify the licensee by business or trade
36 name and Washington state unified business identifier number, and the
37 date of harvest or processing for each lot of ((~~marijuana,~~
38 ~~marijuana~~) cannabis, cannabis concentrates, useable ((~~marijuana~~)
39 cannabis, or ((~~marijuana-infused~~) cannabis-infused product.

1 (x) "Manufacture" means the production, preparation, propagation,
2 compounding, conversion, or processing of a controlled substance,
3 either directly or indirectly or by extraction from substances of
4 natural origin, or independently by means of chemical synthesis, or
5 by a combination of extraction and chemical synthesis, and includes
6 any packaging or repackaging of the substance or labeling or
7 relabeling of its container. The term does not include the
8 preparation, compounding, packaging, repackaging, labeling, or
9 relabeling of a controlled substance:

10 (1) by a practitioner as an incident to the practitioner's
11 administering or dispensing of a controlled substance in the course
12 of the practitioner's professional practice; or

13 (2) by a practitioner, or by the practitioner's authorized agent
14 under the practitioner's supervision, for the purpose of, or as an
15 incident to, research, teaching, or chemical analysis and not for
16 sale.

17 (y) (~~"Marijuana" or "marihuana"~~) "Cannabis" means all parts of
18 the plant *Cannabis*, whether growing or not, with a THC concentration
19 greater than 0.3 percent on a dry weight basis; the seeds thereof;
20 the resin extracted from any part of the plant; and every compound,
21 manufacture, salt, derivative, mixture, or preparation of the plant,
22 its seeds or resin. The term does not include:

23 (1) The mature stalks of the plant, fiber produced from the
24 stalks, oil or cake made from the seeds of the plant, any other
25 compound, manufacture, salt, derivative, mixture, or preparation of
26 the mature stalks (except the resin extracted therefrom), fiber, oil,
27 or cake, or the sterilized seed of the plant which is incapable of
28 germination; or

29 (2) Hemp or industrial hemp as defined in RCW 15.140.020, seeds
30 used for licensed hemp production under chapter 15.140 RCW.

31 (z) (~~"Marijuana"~~) "Cannabis concentrates" means products
32 consisting wholly or in part of the resin extracted from any part of
33 the plant *Cannabis* and having a THC concentration greater than ten
34 percent.

35 (aa) (~~"Marijuana"~~) "Cannabis processor" means a person licensed
36 by the board to process (~~marijuana into marijuana~~) cannabis into
37 cannabis concentrates, useable (~~marijuana, and marijuana-infused~~)
38 cannabis, and cannabis-infused products, package and label
39 (~~marijuana~~) cannabis concentrates, useable (~~marijuana, and~~
40 ~~marijuana-infused~~) cannabis, and cannabis-infused products for sale

1 in retail outlets, and sell ((~~marijuana~~)) cannabis concentrates,
2 useable ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-
3 infused products at wholesale to ((~~marijuana~~)) cannabis retailers.

4 (bb) ((~~"Marijuana"~~)) "Cannabis producer" means a person licensed
5 by the board to produce and sell ((~~marijuana~~)) cannabis at wholesale
6 to ((~~marijuana~~)) cannabis processors and other ((~~marijuana~~)) cannabis
7 producers.

8 (cc) ((~~"Marijuana"~~)) "Cannabis products" means useable
9 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, and
10 ((~~marijuana-infused~~)) cannabis-infused products as defined in this
11 section.

12 (dd) ((~~"Marijuana"~~)) "Cannabis researcher" means a person licensed
13 by the board to produce, process, and possess ((~~marijuana~~)) cannabis
14 for the purposes of conducting research on ((~~marijuana and marijuana-~~
15 ~~derived~~)) cannabis and cannabis-derived drug products.

16 (ee) ((~~"Marijuana"~~)) "Cannabis retailer" means a person licensed
17 by the board to sell ((~~marijuana~~)) cannabis concentrates, useable
18 ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-infused
19 products in a retail outlet.

20 (ff) ((~~"Marijuana-infused"~~)) "Cannabis-infused products" means
21 products that contain ((~~marijuana or marijuana~~)) cannabis or cannabis
22 extracts, are intended for human use, are derived from ((~~marijuana~~))
23 cannabis as defined in subsection (y) of this section, and have a THC
24 concentration no greater than ten percent. The term ((~~"marijuana-~~
25 ~~infused"~~)) "cannabis-infused products" does not include either useable
26 ((~~marijuana or marijuana~~)) cannabis or cannabis concentrates.

27 (gg) "Narcotic drug" means any of the following, whether produced
28 directly or indirectly by extraction from substances of vegetable
29 origin, or independently by means of chemical synthesis, or by a
30 combination of extraction and chemical synthesis:

31 (1) Opium, opium derivative, and any derivative of opium or opium
32 derivative, including their salts, isomers, and salts of isomers,
33 whenever the existence of the salts, isomers, and salts of isomers is
34 possible within the specific chemical designation. The term does not
35 include the isoquinoline alkaloids of opium.

36 (2) Synthetic opiate and any derivative of synthetic opiate,
37 including their isomers, esters, ethers, salts, and salts of isomers,
38 esters, and ethers, whenever the existence of the isomers, esters,
39 ethers, and salts is possible within the specific chemical
40 designation.

- 1 (3) Poppy straw and concentrate of poppy straw.
- 2 (4) Coca leaves, except coca leaves and extracts of coca leaves
3 from which cocaine, ecgonine, and derivatives or ecgonine or their
4 salts have been removed.
- 5 (5) Cocaine, or any salt, isomer, or salt of isomer thereof.
- 6 (6) Cocaine base.
- 7 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer
8 thereof.
- 9 (8) Any compound, mixture, or preparation containing any quantity
10 of any substance referred to in (1) through (7) of this subsection.
- 11 (hh) "Opiate" means any substance having an addiction-forming or
12 addiction-sustaining liability similar to morphine or being capable
13 of conversion into a drug having addiction-forming or addiction-
14 sustaining liability. The term includes opium, substances derived
15 from opium (opium derivatives), and synthetic opiates. The term does
16 not include, unless specifically designated as controlled under RCW
17 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan
18 and its salts (dextromethorphan). The term includes the racemic and
19 levorotatory forms of dextromethorphan.
- 20 (ii) "Opium poppy" means the plant of the species *Papaver*
21 *somniferum* L., except its seeds.
- 22 (jj) "Person" means individual, corporation, business trust,
23 estate, trust, partnership, association, joint venture, government,
24 governmental subdivision or agency, or any other legal or commercial
25 entity.
- 26 (kk) "Plant" has the meaning provided in RCW 69.51A.010.
- 27 (ll) "Poppy straw" means all parts, except the seeds, of the
28 opium poppy, after mowing.
- 29 (mm) "Practitioner" means:
- 30 (1) A physician under chapter 18.71 RCW; a physician assistant
31 under chapter 18.71A RCW; an osteopathic physician and surgeon under
32 chapter 18.57 RCW; an optometrist licensed under chapter 18.53 RCW
33 who is certified by the optometry board under RCW 18.53.010 subject
34 to any limitations in RCW 18.53.010; a dentist under chapter 18.32
35 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a
36 veterinarian under chapter 18.92 RCW; a registered nurse, advanced
37 registered nurse practitioner, or licensed practical nurse under
38 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW
39 who is licensed under RCW 18.36A.030 subject to any limitations in
40 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific

1 investigator under this chapter, licensed, registered or otherwise
2 permitted insofar as is consistent with those licensing laws to
3 distribute, dispense, conduct research with respect to or administer
4 a controlled substance in the course of their professional practice
5 or research in this state.

6 (2) A pharmacy, hospital or other institution licensed,
7 registered, or otherwise permitted to distribute, dispense, conduct
8 research with respect to or to administer a controlled substance in
9 the course of professional practice or research in this state.

10 (3) A physician licensed to practice medicine and surgery, a
11 physician licensed to practice osteopathic medicine and surgery, a
12 dentist licensed to practice dentistry, a podiatric physician and
13 surgeon licensed to practice podiatric medicine and surgery, a
14 licensed physician assistant or a licensed osteopathic physician
15 assistant specifically approved to prescribe controlled substances by
16 his or her state's medical commission or equivalent and his or her
17 supervising physician, an advanced registered nurse practitioner
18 licensed to prescribe controlled substances, or a veterinarian
19 licensed to practice veterinary medicine in any state of the United
20 States.

21 (nn) "Prescription" means an order for controlled substances
22 issued by a practitioner duly authorized by law or rule in the state
23 of Washington to prescribe controlled substances within the scope of
24 his or her professional practice for a legitimate medical purpose.

25 (oo) "Production" includes the manufacturing, planting,
26 cultivating, growing, or harvesting of a controlled substance.

27 (pp) "Qualifying patient" has the meaning provided in RCW
28 69.51A.010.

29 (qq) "Recognition card" has the meaning provided in RCW
30 69.51A.010.

31 (rr) "Retail outlet" means a location licensed by the board for
32 the retail sale of (~~marijuana~~) cannabis concentrates, useable
33 (~~marijuana, and marijuana-infused~~) cannabis, and cannabis-infused
34 products.

35 (ss) "Secretary" means the secretary of health or the secretary's
36 designee.

37 (tt) "State," unless the context otherwise requires, means a
38 state of the United States, the District of Columbia, the
39 Commonwealth of Puerto Rico, or a territory or insular possession
40 subject to the jurisdiction of the United States.

1 (uu) "THC concentration" means percent of delta-9
2 tetrahydrocannabinol content per dry weight of any part of the plant
3 *Cannabis*, or per volume or weight of (~~marijuana~~) cannabis product,
4 or the combined percent of delta-9 tetrahydrocannabinol and
5 tetrahydrocannabinolic acid in any part of the plant *Cannabis*
6 regardless of moisture content.

7 (vv) "Ultimate user" means an individual who lawfully possesses a
8 controlled substance for the individual's own use or for the use of a
9 member of the individual's household or for administering to an
10 animal owned by the individual or by a member of the individual's
11 household.

12 (ww) "Useable (~~marijuana~~) cannabis" means dried (~~marijuana~~)
13 cannabis flowers. The term "useable (~~marijuana~~) cannabis" does not
14 include either (~~marijuana-infused~~) cannabis-infused products or
15 (~~marijuana~~) cannabis concentrates.

16 (xx) "Youth access" means the level of interest persons under the
17 age of twenty-one may have in a vapor product, as well as the degree
18 to which the product is available or appealing to such persons, and
19 the likelihood of initiation, use, or addiction by adolescents and
20 young adults.

21 **Sec. 51.** RCW 69.50.102 and 2012 c 117 s 366 are each amended to
22 read as follows:

23 (a) As used in this chapter, "drug paraphernalia" means all
24 equipment, products, and materials of any kind which are used,
25 intended for use, or designed for use in planting, propagating,
26 cultivating, growing, harvesting, manufacturing, compounding,
27 converting, producing, processing, preparing, testing, analyzing,
28 packaging, repackaging, storing, containing, concealing, injecting,
29 ingesting, inhaling, or otherwise introducing into the human body a
30 controlled substance. It includes, but is not limited to:

31 (1) Kits used, intended for use, or designed for use in planting,
32 propagating, cultivating, growing, or harvesting of any species of
33 plant which is a controlled substance or from which a controlled
34 substance can be derived;

35 (2) Kits used, intended for use, or designed for use in
36 manufacturing, compounding, converting, producing, processing, or
37 preparing controlled substances;

1 (3) Isomerization devices used, intended for use, or designed for
2 use in increasing the potency of any species of plant which is a
3 controlled substance;

4 (4) Testing equipment used, intended for use, or designed for use
5 in identifying or in analyzing the strength, effectiveness, or purity
6 of controlled substances;

7 (5) Scales and balances used, intended for use, or designed for
8 use in weighing or measuring controlled substances;

9 (6) Diluents and adulterants, such as quinine hydrochloride,
10 mannitol, mannite, dextrose, and lactose, used, intended for use, or
11 designed for use in cutting controlled substances;

12 (7) Separation gins and sifters used, intended for use, or
13 designed for use in removing twigs and seeds from, or in otherwise
14 cleaning or refining, (~~marihuana~~) cannabis;

15 (8) Blenders, bowls, containers, spoons, and mixing devices used,
16 intended for use, or designed for use in compounding controlled
17 substances;

18 (9) Capsules, balloons, envelopes, and other containers used,
19 intended for use, or designed for use in packaging small quantities
20 of controlled substances;

21 (10) Containers and other objects used, intended for use, or
22 designed for use in storing or concealing controlled substances;

23 (11) Hypodermic syringes, needles, and other objects used,
24 intended for use, or designed for use in parenterally injecting
25 controlled substances into the human body;

26 (12) Objects used, intended for use, or designed for use in
27 ingesting, inhaling, or otherwise introducing (~~marihuana~~) cannabis,
28 cocaine, hashish, or hashish oil into the human body, such as:

29 (i) Metal, wooden, acrylic, glass, stone, plastic, or ceramic
30 pipes with or without screens, permanent screens, hashish heads, or
31 punctured metal bowls;

32 (ii) Water pipes;

33 (iii) Carburetion tubes and devices;

34 (iv) Smoking and carburetion masks;

35 (v) Roach clips: Meaning objects used to hold burning material,
36 such as a (~~marihuana~~) cannabis cigarette, that has become too small
37 or too short to be held in the hand;

38 (vi) Miniature cocaine spoons, and cocaine vials;

39 (vii) Chamber pipes;

40 (viii) Carburetor pipes;

1 (ix) Electric pipes;
2 (x) Air-driven pipes;
3 (xi) Chillums;
4 (xii) Bongs; and
5 (xiii) Ice pipes or chillers.

6 (b) In determining whether an object is drug paraphernalia under
7 this section, a court or other authority should consider, in addition
8 to all other logically relevant factors, the following:

9 (1) Statements by an owner or by anyone in control of the object
10 concerning its use;

11 (2) Prior convictions, if any, of an owner, or of anyone in
12 control of the object, under any state or federal law relating to any
13 controlled substance;

14 (3) The proximity of the object, in time and space, to a direct
15 violation of this chapter;

16 (4) The proximity of the object to controlled substances;

17 (5) The existence of any residue of controlled substances on the
18 object;

19 (6) Direct or circumstantial evidence of the intent of an owner,
20 or of anyone in control of the object, to deliver it to persons whom
21 he or she knows, or should reasonably know, intend to use the object
22 to facilitate a violation of this chapter; the innocence of an owner,
23 or of anyone in control of the object, as to a direct violation of
24 this chapter shall not prevent a finding that the object is intended
25 or designed for use as drug paraphernalia;

26 (7) Instructions, oral or written, provided with the object
27 concerning its use;

28 (8) Descriptive materials accompanying the object which explain
29 or depict its use;

30 (9) National and local advertising concerning its use;

31 (10) The manner in which the object is displayed for sale;

32 (11) Whether the owner, or anyone in control of the object, is a
33 legitimate supplier of like or related items to the community, such
34 as a licensed distributor or dealer of tobacco products;

35 (12) Direct or circumstantial evidence of the ratio of sales of
36 the object(s) to the total sales of the business enterprise;

37 (13) The existence and scope of legitimate uses for the object in
38 the community; and

39 (14) Expert testimony concerning its use.

1 **Sec. 52.** RCW 69.50.204 and 2019 c 158 s 13 are each amended to
2 read as follows:

3 Unless specifically excepted by state or federal law or
4 regulation or more specifically included in another schedule, the
5 following controlled substances are listed in Schedule I:

6 (a) Any of the following opiates, including their isomers,
7 esters, ethers, salts, and salts of isomers, esters, and ethers
8 whenever the existence of these isomers, esters, ethers, and salts is
9 possible within the specific chemical designation:

10 (1) Acetyl-alpha-methylfentanyl (N-[1-(1-methyl-2-phenethyl)-4-
11 piperidinyl]-N-phenylacetamide);

12 (2) Acetylmethadol;

13 (3) Allylprodine;

14 (4) Alphacetylmethadol, except levo-alphacetylmethadol, also
15 known as levo-alpha-acetylmethadol, levomethadyl acetate, or LAAM;

16 (5) Alphameprodine;

17 (6) Alphamethadol;

18 (7) Alpha-methylfentanyl (N-[1-(alpha-methyl-beta-phenyl)
19 ethyl-4-piperidyl] propionanilide); (1-(1-methyl-2-phenylethyl)-4-(N-
20 propanilido) piperidine);

21 (8) Alpha-methylthiofentanyl (N-[1-methyl-2-(2-thienyl)ethyl-4-
22 piperidinyl]-N-phenylpropanamide);

23 (9) Benzethidine;

24 (10) Betacetylmethadol;

25 (11) Beta-hydroxyfentanyl (N-[1-(2-hydroxy-2-phenethyl)-4-
26 piperidinyl]-N-phenylpropanamide);

27 (12) Beta-hydroxy-3-methylfentanyl, some trade or other names:
28 N-[1-(2-hydrox-2-phenethyl)-3-methyl-4-piperidinyl]-N-
29 phenylpropanamide;

30 (13) Betameprodine;

31 (14) Betamethadol;

32 (15) Betaprodine;

33 (16) Clonitazene;

34 (17) Dextromoramide;

35 (18) Diampromide;

36 (19) Diethylthiambutene;

37 (20) Difenoazin;

38 (21) Dimenoxadol;

39 (22) Dimepheptanol;

40 (23) Dimethylthiambutene;

- 1 (24) Dioxaphetyl butyrate;
- 2 (25) Dipipanone;
- 3 (26) Ethylmethylthiambutene;
- 4 (27) Etonitazene;
- 5 (28) Etoxeridine;
- 6 (29) Furethidine;
- 7 (30) Hydroxypethidine;
- 8 (31) Ketobemidone;
- 9 (32) Levomoramide;
- 10 (33) Levophenacylmorphan;
- 11 (34) 3-Methylfentanyl (N-[3-methyl-1-(2-phenylethyl)-4-
- 12 piperidyl]-N-phenylprop anamide);
- 13 (35) 3-Methylthiofentanyl (N-[(3-methyl-1-(2-thienyl)ethyl-4-
- 14 piperidinyl]-N-phenylpropanamide);
- 15 (36) Morpheridine;
- 16 (37) MPPP (1-methyl-4-phenyl-4-propionoxypiperidine);
- 17 (38) Noracymethadol;
- 18 (39) Norlevorphanol;
- 19 (40) Normethadone;
- 20 (41) Norpipanone;
- 21 (42) Para-fluorofentanyl (N-(4-fluorophenyl)-N-[1-(2-
- 22 phenethyl)-4-piperidinyl] propanamide);
- 23 (43) PEPAP (1-(-2-phenethyl)-4-phenyl-4-acetoxypiperidine);
- 24 (44) Phenadoxone;
- 25 (45) Phenampromide;
- 26 (46) Phenomorphan;
- 27 (47) Phenoperidine;
- 28 (48) Piritramide;
- 29 (49) Proheptazine;
- 30 (50) Properidine;
- 31 (51) Propiram;
- 32 (52) Racemoramide;
- 33 (53) Thiofentanyl (N-phenyl-N-[1-(2-thienyl)ethyl-4-piperidinyl]-
- 34 propanamide);
- 35 (54) Tilidine;
- 36 (55) Trimeperidine.

37 (b) Opium derivatives. Unless specifically excepted or unless
38 listed in another schedule, any of the following opium derivatives,
39 including their salts, isomers, and salts of isomers whenever the

1 existence of those salts, isomers, and salts of isomers is possible
2 within the specific chemical designation:

- 3 (1) Acetorphine;
- 4 (2) Acetyldihydrocodeine;
- 5 (3) Benzylmorphine;
- 6 (4) Codeine methylbromide;
- 7 (5) Codeine-N-Oxide;
- 8 (6) Cyprenorphine;
- 9 (7) Desomorphine;
- 10 (8) Dihydromorphine;
- 11 (9) Drotebanol;
- 12 (10) Etorphine, except hydrochloride salt;
- 13 (11) Heroin;
- 14 (12) Hydromorphenol;
- 15 (13) Methyldesorphine;
- 16 (14) Methyldihydromorphine;
- 17 (15) Morphine methylbromide;
- 18 (16) Morphine methylsulfonate;
- 19 (17) Morphine-N-Oxide;
- 20 (18) Myrophine;
- 21 (19) Nicocodeine;
- 22 (20) Nicomorphine;
- 23 (21) Normorphine;
- 24 (22) Pholcodine;
- 25 (23) Thebacon.

26 (c) Hallucinogenic substances. Unless specifically excepted or
27 unless listed in another schedule, any material, compound, mixture,
28 or preparation which contains any quantity of the following
29 hallucinogenic substances, including their salts, isomers, and salts
30 of isomers whenever the existence of those salts, isomers, and salts
31 of isomers is possible within the specific chemical designation. For
32 the purposes of this subsection only, the term "isomer" includes the
33 optical, position, and geometric isomers:

34 (1) Alpha-ethyltryptamine: Some trade or other names:
35 Etryptamine; monase; α -ethyl-1H-indole-3-ethanamine; 3-(2-aminobutyl)
36 indole; α -ET; and AET;

37 (2) 4-bromo-2,5-dimethoxy-amphetamine: Some trade or other names:
38 4-bromo-2,5-dimethoxy- α -methylphenethylamine; 4-bromo-2,5-DMA;

1 (3) 4-bromo-2,5-dimethoxyphenethylamine: Some trade or other
2 names: 2-(4-bromo-2,5-dimethoxyphenyl)-1-aminoethane; alpha-desmethyl
3 DOB; 2C-B, nexus;
4 (4) 2,5-dimethoxyamphetamine: Some trade or other names: 2,5-
5 dimethoxy-a-methylphenethylamine; 2,5-DMA;
6 (5) 2,5-dimethoxy-4-ethylamphetamine (DOET);
7 (6) 2,5-dimethoxy-4-(n)-propylthiophenethylamine: Other name:
8 2C-T-7;
9 (7) 4-methoxyamphetamine: Some trade or other names: 4-methoxy-a-
10 methylphenethylamine; paramethoxyamphetamine, PMA;
11 (8) 5-methoxy-3,4-methylenedioxy-amphetamine;
12 (9) 4-methyl-2,5-dimethoxy-amphetamine: Some trade and other
13 names: 4-methyl-2,5-dimethoxy-a-methylphenethylamine; "DOM"; and
14 "STP";
15 (10) 3,4-methylenedioxy amphetamine;
16 (11) 3,4-methylenedioxymethamphetamine (MDMA);
17 (12) 3,4-methylenedioxy-N-ethylamphetamine, also known as N-
18 ethyl-alpha-methyl-3,4(methylenedioxy)phenethylamine, N-ethyl MDA,
19 MDE, MDEA;
20 (13) N-hydroxy-3,4-methylenedioxyamphetamine also known as
21 N-hydroxy-alpha-methyl-3,4(methylenedioxy)phenethylamine,N-hydroxy
22 MDA;
23 (14) 3,4,5-trimethoxy amphetamine;
24 (15) Alpha-methyltryptamine: Other name: AMT;
25 (16) Bufotenine: Some trade or other names: 3-(beta-
26 Dimethylaminoethyl)-5-hydroxyindole; 3-(2-dimethylaminoethyl)-5-
27 indolol; N, N-dimethylserotonin; 5-hydroxy-N,N-dimethyltryptamine;
28 mappine;
29 (17) Cannabis;
30 (18) Diethyltryptamine: Some trade or other names: N,N-
31 Diethyltryptamine; DET;
32 ((~~18~~)) (19) Dimethyltryptamine: Some trade or other names: DMT;
33 ((~~19~~)) (20) 5-methoxy-N,N-diisopropyltryptamine: Other name:
34 5-MeO-DIPT;
35 ((~~20~~)) (21) Ibogaine: Some trade or other names: 7-Ethyl-6,6
36 beta,7,8,9,10,12,13,-octahydro-2-methoxy-6,9-methano-5H-pyndo (1',2'
37 1,2) azepino (5,4-b) indole; Tabernanthe iboga;
38 ((~~21~~)) (22) Lysergic acid diethylamide;
39 ((~~22~~ ~~Marihuana or marijuana~~))
40 (23) Mescaline;

1 (24) Parahexyl-7374: Some trade or other names: 3-Hexyl-1-
2 hydroxy-7, 8, 9, 10-tetrahydro-6, 6, 9-trimethyl-6H-
3 dibenzo[b,d]pyran; synhexyl;

4 (25) Peyote, meaning all parts of the plant presently classified
5 botanically as *Lophophora Williamsii* Lemaire, whether growing or not,
6 the seeds thereof, any extract from any part of such plant, and every
7 compound, manufacture, salts, derivative, mixture, or preparation of
8 such plant, its seeds, or extracts; (interprets 21 U.S.C. Sec. 812
9 (c), Schedule I (c) (12));

10 (26) N-ethyl-3-piperidyl benzilate;

11 (27) N-methyl-3-piperidyl benzilate;

12 (28) Psilocybin;

13 (29) Psilocyn;

14 (30)(i) Tetrahydrocannabinols, meaning tetrahydrocannabinols
15 naturally contained in a plant of the genera *Cannabis*, as well as
16 synthetic equivalents of the substances contained in the plant, or in
17 the resinous extractives of the genera *Cannabis*, and/or synthetic
18 substances, derivatives, and their isomers with similar chemical
19 structure and pharmacological activity such as the following:

20 (A) 1 - cis - or trans tetrahydrocannabinol, and their optical
21 isomers, excluding tetrahydrocannabinol in sesame oil and
22 encapsulated in a soft gelatin capsule in a drug product approved by
23 the United States Food and Drug Administration;

24 (B) 6 - cis - or trans tetrahydrocannabinol, and their optical
25 isomers;

26 (C) 3,4 - cis - or trans tetrahydrocannabinol, and its optical
27 isomers; or

28 (D) That is chemically synthesized and either:

29 (I) Has been demonstrated to have binding activity at one or more
30 cannabinoid receptors; or

31 (II) Is a chemical analog or isomer of a compound that has been
32 demonstrated to have binding activity at one or more cannabinoid
33 receptors;

34 (Since nomenclature of these substances is not internationally
35 standardized, compounds of these structures, regardless of numerical
36 designation of atomic positions covered.)

37 (ii) Hemp and industrial hemp, as defined in RCW 15.140.020, are
38 excepted from the categories of controlled substances identified
39 under this section;

1 (31) Ethylamine analog of phencyclidine: Some trade or other
2 names: N-ethyl-1-phenylcyclohexylamine, (1-phenylcyclohexyl)
3 ethylamine; N-(1-phenylcyclohexyl)ethylamine; cyclohexamine; PCE;

4 (32) Pyrrolidine analog of phencyclidine: Some trade or other
5 names: 1-(1-phenylcyclohexyl)pyrrolidine; PCPy; PHP;

6 (33) Thiophene analog of phencyclidine: Some trade or other
7 names: 1-(1-[2-thienyl]-cyclohexyl)-piperidine; 2-thienyl analog of
8 phencyclidine; TPCP; TCP;

9 (34) 1-[1-(2-thienyl)cyclohexyl]pyrrolidine: A trade or other
10 name is TCPy.

11 (d) Depressants. Unless specifically excepted or unless listed in
12 another schedule, any material, compound, mixture, or preparation
13 which contains any quantity of the following substances having a
14 depressant effect on the central nervous system, including its salts,
15 isomers, and salts of isomers whenever the existence of such salts,
16 isomers, and salts of isomers is possible within the specific
17 chemical designation.

18 (1) Gamma-hydroxybutyric acid: Some other names include GHB;
19 gamma-hydroxybutyrate; 4-hydroxybutyrate; 4-hydroxybutanoic acid;
20 sodium oxybate; sodium oxybutyrate;

21 (2) Mecloqualone;

22 (3) Methaqualone.

23 (e) Stimulants. Unless specifically excepted or unless listed in
24 another schedule, any material, compound, mixture, or preparation
25 which contains any quantity of the following substances having a
26 stimulant effect on the central nervous system, including its salts,
27 isomers, and salts of isomers:

28 (1) Aminorex: Some other names: aminoxaphen; 2-amino-5-phenyl-2-
29 oxazoline; or 4, 5-dihydro-5-phenyl-2-oxazolamine;

30 (2) N-Benzylpiperazine: Some other names: BZP, 1-benzylpiperazine;

31 (3) Cathinone, also known as 2-amino-1-phenyl-1-propanone,
32 alpha-aminopropiophenone, 2-aminopropiophenone and norephedrine;

33 (4) Fenethylamine;

34 (5) Methcathinone: Some other names: 2-(methylamino)-
35 propiophenone; alpha-(methylamino)propiophenone; 2-(methylamino)-1-
36 phenylpropan-1-one; alpha-N-methylaminopropiophenone;
37 monomethylpropion; ephedrine; N-methylcathinone; methylcathinone;
38 AL-464; AL-422; AL-463 and UR1432, its salts, optical isomers, and
39 salts of optical isomers;

1 (6) (+-)cis-4-methylaminorex ((-)cis-4,5-dihydro-4-methyl-5-
2 phenyl-2-oxazolamine);

3 (7) N-ethylamphetamine;

4 (8) N,N-dimethylamphetamine: Some trade or other names: N,N-
5 alpha-trimethyl-benzeneethanamine; N,N-alpha-trimethylphenoethylene.

6 The controlled substances in this section may be added,
7 rescheduled, or deleted as provided for in RCW 69.50.201.

8 **Sec. 53.** RCW 69.50.325 and 2020 c 236 s 6 are each amended to
9 read as follows:

10 (1) There shall be a ((~~marijuana~~)) cannabis producer's license
11 regulated by the board and subject to annual renewal. The licensee is
12 authorized to produce: (a) ((~~Marijuana~~)) Cannabis for sale at
13 wholesale to ((~~marijuana~~)) cannabis processors and other
14 ((~~marijuana~~)) cannabis producers; (b) immature plants or clones and
15 seeds for sale to cooperatives as described under RCW 69.51A.250; and
16 (c) immature plants or clones and seeds for sale to qualifying
17 patients and designated providers as provided under RCW 69.51A.310.
18 The production, possession, delivery, distribution, and sale of
19 ((~~marijuana~~)) cannabis in accordance with the provisions of this
20 chapter and the rules adopted to implement and enforce it, by a
21 validly licensed ((~~marijuana~~)) cannabis producer, shall not be a
22 criminal or civil offense under Washington state law. Every
23 ((~~marijuana~~)) cannabis producer's license shall be issued in the name
24 of the applicant, shall specify the location at which the
25 ((~~marijuana~~)) cannabis producer intends to operate, which must be
26 within the state of Washington, and the holder thereof shall not
27 allow any other person to use the license. The application fee for a
28 ((~~marijuana~~)) cannabis producer's license shall be two hundred fifty
29 dollars. The annual fee for issuance and renewal of a ((~~marijuana~~))
30 cannabis producer's license shall be one thousand three hundred
31 eighty-one dollars. A separate license shall be required for each
32 location at which a ((~~marijuana~~)) cannabis producer intends to
33 produce ((~~marijuana~~)) cannabis.

34 (2) There shall be a ((~~marijuana~~)) cannabis processor's license
35 to process, package, and label ((~~marijuana~~)) cannabis concentrates,
36 useable ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-
37 infused products for sale at wholesale to ((~~marijuana~~)) cannabis
38 processors and ((~~marijuana~~)) cannabis retailers, regulated by the
39 board and subject to annual renewal. The processing, packaging,

1 possession, delivery, distribution, and sale of ((~~marijuana~~))
2 cannabis, useable ((~~marijuana, — marijuana-infused~~)) cannabis,
3 cannabis-infused products, and ((~~marijuana~~)) cannabis concentrates in
4 accordance with the provisions of this chapter and chapter 69.51A RCW
5 and the rules adopted to implement and enforce these chapters, by a
6 validly licensed ((~~marijuana~~)) cannabis processor, shall not be a
7 criminal or civil offense under Washington state law. Every
8 ((~~marijuana~~)) cannabis processor's license shall be issued in the
9 name of the applicant, shall specify the location at which the
10 licensee intends to operate, which must be within the state of
11 Washington, and the holder thereof shall not allow any other person
12 to use the license. The application fee for a ((~~marijuana~~)) cannabis
13 processor's license shall be two hundred fifty dollars. The annual
14 fee for issuance and renewal of a ((~~marijuana~~)) cannabis processor's
15 license shall be one thousand three hundred eighty-one dollars. A
16 separate license shall be required for each location at which a
17 ((~~marijuana~~)) cannabis processor intends to process ((~~marijuana~~))
18 cannabis.

19 (3) (a) There shall be a ((~~marijuana~~)) cannabis retailer's license
20 to sell ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, — and~~
21 ~~marijuana-infused~~)) cannabis, and cannabis-infused products at retail
22 in retail outlets, regulated by the board and subject to annual
23 renewal. The possession, delivery, distribution, and sale of
24 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, — and~~
25 ~~marijuana-infused~~)) cannabis, and cannabis-infused products in
26 accordance with the provisions of this chapter and the rules adopted
27 to implement and enforce it, by a validly licensed ((~~marijuana~~))
28 cannabis retailer, shall not be a criminal or civil offense under
29 Washington state law. Every ((~~marijuana~~)) cannabis retailer's license
30 shall be issued in the name of the applicant, shall specify the
31 location of the retail outlet the licensee intends to operate, which
32 must be within the state of Washington, and the holder thereof shall
33 not allow any other person to use the license. The application fee
34 for a ((~~marijuana~~)) cannabis retailer's license shall be two hundred
35 fifty dollars. The annual fee for issuance and renewal of a
36 ((~~marijuana~~)) cannabis retailer's license shall be one thousand three
37 hundred eighty-one dollars. A separate license shall be required for
38 each location at which a ((~~marijuana~~)) cannabis retailer intends to
39 sell ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, — and~~
40 ~~marijuana-infused~~)) cannabis, and cannabis-infused products.

1 (b) An individual retail licensee and all other persons or
2 entities with a financial or other ownership interest in the business
3 operating under the license are limited, in the aggregate, to holding
4 a collective total of not more than five retail ((~~marijuana~~))
5 cannabis licenses.

6 (c) (i) A ((~~marijuana~~)) cannabis retailer's license is subject to
7 forfeiture in accordance with rules adopted by the board pursuant to
8 this section.

9 (ii) The board shall adopt rules to establish a license
10 forfeiture process for a licensed ((~~marijuana~~)) cannabis retailer
11 that is not fully operational and open to the public within a
12 specified period from the date of license issuance, as established by
13 the board, subject to the following restrictions:

14 (A) No ((~~marijuana~~)) cannabis retailer's license may be subject
15 to forfeiture within the first nine months of license issuance; and

16 (B) The board must require license forfeiture on or before
17 twenty-four calendar months of license issuance if a ((~~marijuana~~))
18 cannabis retailer is not fully operational and open to the public,
19 unless the board determines that circumstances out of the licensee's
20 control are preventing the licensee from becoming fully operational
21 and that, in the board's discretion, the circumstances warrant
22 extending the forfeiture period beyond twenty-four calendar months.

23 (iii) The board has discretion in adopting rules under this
24 subsection (3) (c).

25 (iv) This subsection (3) (c) applies to ((~~marijuana~~)) cannabis
26 retailer's licenses issued before and after July 23, 2017. However,
27 no license of a ((~~marijuana~~)) cannabis retailer that otherwise meets
28 the conditions for license forfeiture established pursuant to this
29 subsection (3) (c) may be subject to forfeiture within the first nine
30 calendar months of July 23, 2017.

31 (v) The board may not require license forfeiture if the licensee
32 has been incapable of opening a fully operational retail
33 ((~~marijuana~~)) cannabis business due to actions by the city, town, or
34 county with jurisdiction over the licensee that include any of the
35 following:

36 (A) The adoption of a ban or moratorium that prohibits the
37 opening of a retail ((~~marijuana~~)) cannabis business; or

38 (B) The adoption of an ordinance or regulation related to zoning,
39 business licensing, land use, or other regulatory measure that has
40 the effect of preventing a licensee from receiving an occupancy

1 permit from the jurisdiction or which otherwise prevents a licensed
2 ((~~marijuana~~)) cannabis retailer from becoming operational.

3 (d) The board may issue ((~~marijuana~~)) cannabis retailer licenses
4 pursuant to this chapter and RCW 69.50.335.

5 **Sec. 54.** RCW 69.50.326 and 2018 c 132 s 1 are each amended to
6 read as follows:

7 (1) Licensed ((~~marijuana~~)) cannabis producers and licensed
8 ((~~marijuana~~)) cannabis processors may use a CBD product as an
9 additive for the purpose of enhancing the cannabidiol concentration
10 of any product authorized for production, processing, and sale under
11 this chapter. Except as otherwise provided in subsection (2) of this
12 section, such CBD product additives must be lawfully produced by, or
13 purchased from, a producer or processor licensed under this chapter.

14 (2) Subject to the requirements set forth in (a) and (b) of this
15 subsection, and for the purpose of enhancing the cannabidiol
16 concentration of any product authorized for production, processing,
17 or sale under this chapter, licensed ((~~marijuana~~)) cannabis producers
18 and licensed ((~~marijuana~~)) cannabis processors may use a CBD product
19 obtained from a source not licensed under this chapter, provided the
20 CBD product:

21 (a) Has a THC level of 0.3 percent or less on a dry weight basis;
22 and

23 (b) Has been tested for contaminants and toxins by a testing
24 laboratory accredited under this chapter and in accordance with
25 testing standards established under this chapter and the applicable
26 administrative rules.

27 (3) Subject to the requirements of this subsection (3), the
28 ((~~liquor and cannabis~~)) board may enact rules necessary to implement
29 the requirements of this section. Such rule making is limited to
30 regulations pertaining to laboratory testing and product safety
31 standards for those cannabidiol products used by licensed producers
32 and processors in the manufacture of ((~~marijuana~~)) cannabis products
33 marketed by licensed retailers under this chapter ((~~69.50 RCW~~)). The
34 purpose of such rule making must be to ensure the safety and purity
35 of cannabidiol products used by ((~~marijuana~~)) cannabis producers and
36 processors licensed under this chapter ((~~69.50 RCW~~)) and incorporated
37 into products sold by licensed recreational ((~~marijuana~~)) cannabis
38 retailers. This rule-making authority does not include the authority
39 to enact rules regarding either the production or processing

1 practices of the industrial hemp industry or any cannabidiol products
2 that are sold or marketed outside of the regulatory framework
3 established under this chapter ((69.50-RCW)).

4 **Sec. 55.** RCW 69.50.327 and 2020 c 133 s 4 are each amended to
5 read as follows:

6 (1) Except as provided in subsection (2) of this section,
7 ((~~marijuana~~)) cannabis processors may incorporate in ((~~marijuana~~))
8 cannabis vapor products a characterizing flavor if the characterizing
9 flavor is derived from botanical terpenes naturally occurring in the
10 cannabis plant, regardless of source, and if the characterizing
11 flavor mimics the terpene profile found in a cannabis plant.
12 Characterizing flavors authorized under this section do not include
13 any synthetic terpenes.

14 (2) If the board determines a characterizing flavor otherwise
15 authorized under this section may pose a risk to public health or
16 youth access, the board may, by rule adopted under RCW 69.50.342,
17 prohibit the use in ((~~marijuana~~)) cannabis vapor products of such a
18 characterizing flavor.

19 **Sec. 56.** RCW 69.50.328 and 2013 c 3 s 5 are each amended to read
20 as follows:

21 Neither a licensed ((~~marijuana~~)) cannabis producer nor a licensed
22 ((~~marijuana~~)) cannabis processor shall have a direct or indirect
23 financial interest in a licensed ((~~marijuana~~)) cannabis retailer.

24 **Sec. 57.** RCW 69.50.331 and 2020 c 154 s 1 are each amended to
25 read as follows:

26 (1) For the purpose of considering any application for a license
27 to produce, process, research, transport, or deliver ((~~marijuana~~))
28 cannabis, useable ((~~marijuana, marijuana~~)) cannabis, cannabis
29 concentrates, or ((~~marijuana-infused~~)) cannabis-infused products
30 subject to the regulations established under RCW 69.50.385, or sell
31 ((~~marijuana~~)) cannabis, or for the renewal of a license to produce,
32 process, research, transport, or deliver ((~~marijuana~~)) cannabis,
33 useable ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, or
34 ((~~marijuana-infused~~)) cannabis-infused products subject to the
35 regulations established under RCW 69.50.385, or sell ((~~marijuana~~))
36 cannabis, the board must conduct a comprehensive, fair, and impartial
37 evaluation of the applications timely received.

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

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

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

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

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

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

38 (2)(a) The board may, in its discretion, subject to RCW
39 43.05.160, 69.50.563, 69.50.562, 69.50.334, and 69.50.342(3) suspend
40 or cancel any license; and all protections of the licensee from

1 criminal or civil sanctions under state law for producing,
2 processing, researching, or selling ((~~marijuana, marijuana~~))
3 cannabis, cannabis concentrates, useable ((~~marijuana~~)) cannabis, or
4 ((~~marijuana-infused~~)) cannabis-infused products thereunder must be
5 suspended or terminated, as the case may be.

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

14 (c) The board may request the appointment of administrative law
15 judges under chapter 34.12 RCW who shall have power to administer
16 oaths, issue subpoenas for the attendance of witnesses and the
17 production of papers, books, accounts, documents, and testimony,
18 examine witnesses, receive testimony in any inquiry, investigation,
19 hearing, or proceeding in any part of the state, and consider
20 mitigating and aggravating circumstances in any case and deviate from
21 any prescribed penalty, under rules the board may adopt.

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

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

36 (3) Upon receipt of notice of the suspension or cancellation of a
37 license, the licensee must forthwith deliver up the license to the
38 board. Where the license has been suspended only, the board must
39 return the license to the licensee at the expiration or termination
40 of the period of suspension. The 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~~) cannabis, cannabis concentrates, useable
5 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
6 products to be delivered to or for any person at the premises of the
7 subject licensee.

8 (4) Every license issued under this chapter is subject to all
9 conditions and restrictions imposed by this chapter or by rules
10 adopted by the board to implement and enforce this chapter. All
11 conditions and restrictions imposed by the board in the issuance of
12 an individual license must be listed on the face of the individual
13 license along 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 board issues a new or renewed license to an
19 applicant it must give notice of the application to the chief
20 executive officer of the incorporated city or town, if the
21 application is for a license within an incorporated city or town, or
22 to the county legislative authority, if the application is for a
23 license outside the boundaries of incorporated cities or towns, or to
24 the tribal government if the application is for a license within
25 Indian country, or to the port authority if the application for a
26 license is located on property owned by a port authority.

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

37 (c) The written objections must include a statement of all facts
38 upon which the objections are based, and in case written objections
39 are filed, the city or town or county legislative authority may
40 request, and the board may in its discretion hold, a hearing subject

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

8 (d) Upon the granting of a license under this title the board
9 must send written notification to the chief executive officer of the
10 incorporated city or town in which the license is granted, or to the
11 county legislative authority if the license is granted outside the
12 boundaries of incorporated cities or towns.

13 (8) (a) Except as provided in (b) through (e) of this subsection,
14 the board may not issue a license for any premises within one
15 thousand feet of the perimeter of the grounds of any elementary or
16 secondary school, playground, recreation center or facility, child
17 care center, public park, public transit center, or library, or any
18 game arcade admission to which is not restricted to persons aged
19 twenty-one years or older.

20 (b) A city, county, or town may permit the licensing of premises
21 within one thousand feet but not less than one hundred feet of the
22 facilities described in (a) of this subsection, except elementary
23 schools, secondary schools, and playgrounds, by enacting an ordinance
24 authorizing such distance reduction, provided that such distance
25 reduction will not negatively impact the jurisdiction's civil
26 regulatory enforcement, criminal law enforcement interests, public
27 safety, or public health.

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

35 (d) The board may license premises located in compliance with the
36 distance requirements set in an ordinance adopted under (b) or (c) of
37 this subsection. Before issuing or renewing a research license for
38 premises within one thousand feet but not less than one hundred feet
39 of an elementary school, secondary school, or playground in

1 compliance with an ordinance passed pursuant to (c) of this
2 subsection, the board must ensure that the facility:

3 (i) Meets a security standard exceeding that which applies to
4 (~~(marijuana)~~) cannabis producer, processor, or retailer licensees;

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

7 (iii) Bears no advertising or signage indicating that it is a
8 (~~(marijuana)~~) cannabis research facility.

9 (e) The board must issue a certificate of compliance if the
10 premises met the requirements under (a), (b), (c), or (d) of this
11 subsection on the date of the application. The certificate allows the
12 licensee to operate the business at the proposed location
13 notwithstanding a later occurring, otherwise disqualifying factor.

14 (f) The board may not issue a license for any premises within
15 Indian country, as defined in 18 U.S.C. Sec. 1151, including any fee
16 patent lands within the exterior boundaries of a reservation, without
17 the consent of the federally recognized tribe associated with the
18 reservation or Indian country.

19 (9) A city, town, or county may adopt an ordinance prohibiting a
20 (~~(marijuana)~~) cannabis producer or (~~(marijuana)~~) cannabis processor
21 from operating or locating a business within areas zoned primarily
22 for residential use or rural use with a minimum lot size of five
23 acres or smaller.

24 (10) In determining whether to grant or deny a license or renewal
25 of any license, the board must give substantial weight to objections
26 from an incorporated city or town or county legislative authority
27 based upon chronic illegal activity associated with the applicant's
28 operations of the premises proposed to be licensed or the applicant's
29 operation of any other licensed premises, or the conduct of the
30 applicant's patrons inside or outside the licensed premises. "Chronic
31 illegal activity" means (a) a pervasive pattern of activity that
32 threatens the public health, safety, and welfare of the city, town,
33 or county including, but not limited to, open container violations,
34 assaults, disturbances, disorderly conduct, or other criminal law
35 violations, or as documented in crime statistics, police reports,
36 emergency medical response data, calls for service, field data, or
37 similar records of a law enforcement agency for the city, town,
38 county, or any other municipal corporation or any state agency; or
39 (b) an unreasonably high number of citations for violations of RCW
40 46.61.502 associated with the applicant's or licensee's operation of

1 any licensed premises as indicated by the reported statements given
2 to law enforcement upon arrest.

3 **Sec. 58.** RCW 69.50.334 and 2015 2nd sp.s. c 4 s 201 are each
4 amended to read as follows:

5 (1) The action, order, or decision of the (~~state liquor and~~
6 ~~cannabis~~) board as to any denial of an application for the
7 reissuance of a license to produce, process, or sell (~~marijuana~~)
8 cannabis, or as to any revocation, suspension, or modification of any
9 license to produce, process, or sell (~~marijuana~~) cannabis, or as to
10 the administrative review of a notice of unpaid trust fund taxes
11 under RCW 69.50.565, must be an adjudicative proceeding and subject
12 to the applicable provisions of chapter 34.05 RCW.

13 (2) An opportunity for a hearing may be provided to an applicant
14 for the reissuance of a license prior to the disposition of the
15 application, and if no opportunity for a prior hearing is provided
16 then an opportunity for a hearing to reconsider the application must
17 be provided the applicant.

18 (3) An opportunity for a hearing must be provided to a licensee
19 prior to a revocation or modification of any license and, except as
20 provided in subsection (6) of this section, prior to the suspension
21 of any license.

22 (4) An opportunity for a hearing must be provided to any person
23 issued a notice of unpaid trust fund taxes under RCW 69.50.565.

24 (5) No hearing may be required under this section until demanded
25 by the applicant, licensee, or person issued a notice of unpaid trust
26 fund taxes under RCW 69.50.565.

27 (6) The (~~state liquor and cannabis~~) board may summarily suspend
28 a license for a period of up to one hundred eighty days without a
29 prior hearing if it finds that public health, safety, or welfare
30 imperatively require emergency action, and it incorporates a finding
31 to that effect in its order. Proceedings for revocation or other
32 action must be promptly instituted and determined. An administrative
33 law judge may extend the summary suspension period for up to one
34 calendar year from the first day of the initial summary suspension in
35 the event the proceedings for revocation or other action cannot be
36 completed during the initial one hundred eighty-day period due to
37 actions by the licensee. The (~~state liquor and cannabis~~) board's
38 enforcement division shall complete a preliminary staff investigation

1 of the violation before requesting an emergency suspension by the
2 (~~state liquor and cannabis~~) board.

3 **Sec. 59.** RCW 69.50.335 and 2020 c 236 s 2 are each amended to
4 read as follows:

5 (1) Beginning December 1, 2020, and until July 1, 2028,
6 (~~marijuana~~) cannabis retailer licenses that have been subject to
7 forfeiture, revocation, or cancellation by the board, or
8 (~~marijuana~~) cannabis retailer licenses that were not previously
9 issued by the board but could have been issued without exceeding the
10 limit on the statewide number of (~~marijuana~~) cannabis retailer
11 licenses established before January 1, 2020, by the board, may be
12 issued or reissued to an applicant who meets the (~~marijuana~~)
13 cannabis retailer license requirements of this chapter.

14 (2)(a) In order to be considered for a retail license under
15 subsection (1) of this section, an applicant must be a social equity
16 applicant and submit a social equity plan along with other
17 (~~marijuana~~) cannabis retailer license application requirements to
18 the board. If the application proposes ownership by more than one
19 person, then at least fifty-one percent of the proposed ownership
20 structure must reflect the qualifications of a social equity
21 applicant.

22 (b) Persons holding an existing (~~marijuana~~) cannabis retailer
23 license or title certificate for a (~~marijuana~~) cannabis retailer
24 business in a local jurisdiction subject to a ban or moratorium on
25 (~~marijuana~~) cannabis retail businesses may apply for a license
26 under this section.

27 (3)(a) In determining the issuance of a license among applicants,
28 the board may prioritize applicants based on the extent to which the
29 application addresses the components of the social equity plan.

30 (b) The board may deny any application submitted under this
31 subsection if the board determines that:

32 (i) The application does not meet social equity goals or does not
33 meet social equity plan requirements; or

34 (ii) The application does not otherwise meet the licensing
35 requirements of this chapter.

36 (4) The board may adopt rules to implement this section. Rules
37 may include strategies for receiving advice on the social equity
38 program from individuals the program is intended to benefit. Rules
39 may also require that licenses awarded under this section be

1 transferred or sold only to individuals or groups of individuals who
2 comply with the requirements for initial licensure as a social equity
3 applicant with a social equity plan under this section.

4 (5) The annual fee for issuance, reissuance, or renewal for any
5 license under this section must be equal to the fee established in
6 RCW 69.50.325.

7 (6) For the purposes of this section:

8 (a) "Disproportionately impacted area" means a census tract or
9 comparable geographic area that satisfies the following criteria,
10 which may be further defined in rule by the board after consultation
11 with the commission on African American affairs and other agencies
12 and stakeholders as determined by the board:

13 (i) The area has a high poverty rate;

14 (ii) The area has a high rate of participation in income-based
15 federal or state programs;

16 (iii) The area has a high rate of unemployment; and

17 (iv) The area has a high rate of arrest, conviction, or
18 incarceration related to the sale, possession, use, cultivation,
19 manufacture, or transport of (~~marijuana~~) cannabis.

20 (b) "Social equity applicant" means:

21 (i) An applicant who has at least fifty-one percent ownership and
22 control by one or more individuals who have resided for at least five
23 of the preceding ten years in a disproportionately impacted area; or

24 (ii) An applicant who has at least fifty-one percent ownership
25 and control by at least one individual who has been convicted of a
26 (~~marijuana~~) cannabis offense or is a family member of such an
27 individual.

28 (c) "Social equity goals" means:

29 (i) Increasing the number of (~~marijuana~~) cannabis retailer
30 licenses held by social equity applicants from disproportionately
31 impacted areas; and

32 (ii) Reducing accumulated harm suffered by individuals, families,
33 and local areas subject to severe impacts from the historical
34 application and enforcement of (~~marijuana~~) cannabis prohibition
35 laws.

36 (d) "Social equity plan" means a plan that addresses at least
37 some of the elements outlined in this subsection (6)(d), along with
38 any additional plan components or requirements approved by the board
39 following consultation with the task force created in RCW 69.50.336.
40 The plan may include:

1 (i) A statement that the social equity applicant qualifies as a
2 social equity applicant and intends to own at least fifty-one percent
3 of the proposed ((~~marijuana~~)) cannabis retail business or applicants
4 representing at least fifty-one percent of the ownership of the
5 proposed business qualify as social equity applicants;

6 (ii) A description of how issuing a ((~~marijuana~~)) cannabis retail
7 license to the social equity applicant will meet social equity goals;

8 (iii) The social equity applicant's personal or family history
9 with the criminal justice system including any offenses involving
10 ((~~marijuana~~)) cannabis;

11 (iv) The composition of the workforce the social equity applicant
12 intends to hire;

13 (v) Neighborhood characteristics of the location where the social
14 equity applicant intends to operate, focusing especially on
15 disproportionately impacted areas; and

16 (vi) Business plans involving partnerships or assistance to
17 organizations or residents with connection to populations with a
18 history of high rates of enforcement of ((~~marijuana~~)) cannabis
19 prohibition.

20 **Sec. 60.** RCW 69.50.336 and 2020 c 236 s 5 are each amended to
21 read as follows:

22 (1) A legislative task force on social equity in ((~~marijuana~~))
23 cannabis is established. The purpose of the task force is to make
24 recommendations to the board including but not limited to
25 establishing a social equity program for the issuance and reissuance
26 of existing retail ((~~marijuana~~)) cannabis licenses, and to advise the
27 governor and the legislature on policies that will facilitate
28 development of a ((~~marijuana~~)) cannabis social equity program.

29 (2) The members of the task force are as provided in this
30 subsection.

31 (a) The president of the senate shall appoint one member from
32 each of the two largest caucuses of the senate.

33 (b) The speaker of the house of representatives shall appoint one
34 member from each of the two largest caucuses of the house of
35 representatives.

36 (c) The president of the senate and the speaker of the house of
37 representatives shall jointly appoint:

38 (i) One member from each of the following:

39 (A) The commission on African American affairs;

- 1 (B) The commission on Hispanic affairs;
- 2 (C) The governor's office of Indian affairs;
- 3 (D) An organization representing the African American community;
- 4 (E) An organization representing the Latinx community;
- 5 (F) A labor organization involved in the ((~~marijuana~~)) cannabis
- 6 industry;
- 7 (G) The liquor and cannabis board;
- 8 (H) The department of commerce;
- 9 (I) The office of the attorney general; and
- 10 (J) The association of Washington cities;
- 11 (ii) Two members that currently hold a ((~~marijuana~~)) cannabis
- 12 retail license; and
- 13 (iii) Two members that currently hold a producer or processor
- 14 license or both.

15 (3) In addition to the members appointed to the task force under

16 subsection (2) of this section, individuals representing other

17 sectors may be invited by the chair of the task force, in

18 consultation with the other appointed members of the task force, to

19 participate in an advisory capacity in meetings of the task force.

20 (a) Individuals participating in an advisory capacity under this

21 subsection are not members of the task force, may not vote, and are

22 not subject to the appointment process established in this section.

23 (b) There is no limit to the number of individuals who may

24 participate in task force meetings in an advisory capacity under this

25 subsection.

26 (c) A majority of the task force members constitutes a quorum. If

27 a member has not been designated for a position set forth in this

28 section, that position may not be counted for the purpose of

29 determining a quorum.

30 (4) The task force shall hold its first meeting by July 1, 2020.

31 The task force shall elect a chair from among its legislative members

32 at the first meeting. The election of the chair must be by a majority

33 vote of the task force members who are present at the meeting. The

34 chair of the task force is responsible for arranging subsequent

35 meetings and developing meeting agendas.

36 (5) Staff support for the task force, including arranging the

37 first meeting of the task force and assisting the chair of the task

38 force in arranging subsequent meetings, must be provided by the

39 health equity council of the governor's interagency council on health

40 disparities. If Engrossed Second Substitute House Bill No. 1783 is

1 enacted by June 30, 2020, then responsibility for providing staff
2 support for the task force must be transferred to the office of
3 equity created by Engrossed Second Substitute House Bill No. 1783
4 when requested by the office of equity.

5 (6) The expenses of the task force must be paid jointly by the
6 senate and the house of representatives. Task force expenditures are
7 subject to approval by the senate facilities and operations committee
8 and the house of representatives executive rules committee, or their
9 successor committees.

10 (7) Legislative members of the task force may be reimbursed for
11 travel expenses in accordance with RCW 44.04.120. Nonlegislative
12 members are not entitled to be reimbursed for travel expenses if they
13 are elected officials or are participating on behalf of an employer,
14 governmental entity, or other organization. Any reimbursement for
15 other nonlegislative members is subject to chapter 43.03 RCW.

16 (8) The task force is a class one group under chapter 43.03 RCW.

17 (9) A public comment period must be provided at every meeting of
18 the task force.

19 (10) The task force shall submit one or more reports on
20 recommended policies that will facilitate the development of a
21 (~~marijuana~~) cannabis social equity program in Washington to the
22 governor, the board, and the appropriate committees of the
23 legislature. The task force is encouraged to submit individual
24 recommendations, as soon as possible, to facilitate the board's early
25 work to implement the recommendations. The final recommendations must
26 be submitted by December 1, 2020. The recommendations must include:

27 (a) Factors the board must consider in distributing the licenses
28 currently available from (~~marijuana~~) cannabis retailer licenses
29 that have been subject to forfeiture, revocation, or cancellation by
30 the board, or (~~marijuana~~) cannabis retailer licenses that were not
31 previously issued by the board but could have been issued without
32 exceeding the limit on the statewide number of (~~marijuana~~) cannabis
33 retailer licenses established by the board before January 1, 2020;
34 and

35 (b) Whether any additional (~~marijuana~~) cannabis licenses should
36 be issued beyond the total number of (~~marijuana~~) cannabis licenses
37 that have been issued as of June 11, 2020. For purposes of
38 determining the total number of licenses issued as of June 11, 2020,
39 the total number includes licenses that have been forfeited, revoked,
40 or canceled.

1 (11) The board may adopt rules to implement the recommendations
2 of the task force. However, any recommendation to increase the number
3 of retail outlets above the current statewide limit of retail
4 outlets, established by the board before January 1, 2020, must be
5 approved by the legislature.

6 (12) This section expires June 30, 2022.

7 **Sec. 61.** RCW 69.50.339 and 2013 c 3 s 8 are each amended to read
8 as follows:

9 (1) If the (~~state liquor control~~) board approves, a license to
10 produce, process, or sell (~~marijuana~~) cannabis may be transferred,
11 without charge, to the surviving spouse or domestic partner of a
12 deceased licensee if the license was issued in the names of one or
13 both of the parties. For the purpose of considering the
14 qualifications of the surviving party to receive a (~~marijuana~~)
15 cannabis producer's, (~~marijuana~~) cannabis processor's, or
16 (~~marijuana~~) cannabis retailer's license, the (~~state liquor~~
17 ~~control~~) board may require a criminal history record information
18 check. The (~~state liquor control~~) board may submit the criminal
19 history record information check to the Washington state patrol and
20 to the identification division of the federal bureau of investigation
21 in order that these agencies may search their records for prior
22 arrests and convictions of the individual or individuals who filled
23 out the forms. The (~~state liquor control~~) board shall require
24 fingerprinting of any applicant whose criminal history record
25 information check is submitted to the federal bureau of
26 investigation.

27 (2) The proposed sale of more than ten percent of the outstanding
28 or issued stock of a corporation licensed under chapter 3, Laws of
29 2013, or any proposed change in the officers of such a corporation,
30 must be reported to the (~~state liquor control~~) board, and (~~state~~
31 ~~liquor control~~) board approval must be obtained before the changes
32 are made. A fee of seventy-five dollars will be charged for the
33 processing of the change of stock ownership or corporate officers.

34 **Sec. 62.** RCW 69.50.342 and 2020 c 133 s 3 are each amended to
35 read as follows:

36 (1) For the purpose of carrying into effect the provisions of
37 chapter 3, Laws of 2013 according to their true intent or of
38 supplying any deficiency therein, the board may adopt rules not

1 inconsistent with the spirit of chapter 3, Laws of 2013 as are deemed
2 necessary or advisable. Without limiting the generality of the
3 preceding sentence, the board is empowered to adopt rules regarding
4 the following:

5 (a) The equipment and management of retail outlets and premises
6 where ((~~marijuana~~)) cannabis is produced or processed, and inspection
7 of the retail outlets and premises where ((~~marijuana~~)) cannabis is
8 produced or processed;

9 (b) The books and records to be created and maintained by
10 licensees, the reports to be made thereon to the board, and
11 inspection of the books and records;

12 (c) Methods of producing, processing, and packaging ((~~marijuana~~))
13 cannabis, useable ((~~marijuana, marijuana~~)) cannabis, cannabis
14 concentrates, and ((~~marijuana-infused~~)) cannabis-infused products;
15 conditions of sanitation; safe handling requirements; approved
16 pesticides and pesticide testing requirements; and standards of
17 ingredients, quality, and identity of ((~~marijuana~~)) cannabis, useable
18 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, and
19 ((~~marijuana-infused~~)) cannabis-infused products produced, processed,
20 packaged, or sold by licensees;

21 (d) Security requirements for retail outlets and premises where
22 ((~~marijuana~~)) cannabis is produced or processed, and safety protocols
23 for licensees and their employees;

24 (e) Screening, hiring, training, and supervising employees of
25 licensees;

26 (f) Retail outlet locations and hours of operation;

27 (g) Labeling requirements and restrictions on advertisement of
28 ((~~marijuana~~)) cannabis, useable ((~~marijuana, marijuana~~)) cannabis,
29 cannabis concentrates, cannabis health and beauty aids, and
30 ((~~marijuana-infused~~)) cannabis-infused products for sale in retail
31 outlets;

32 (h) Forms to be used for purposes of this chapter and chapter
33 69.51A RCW or the rules adopted to implement and enforce these
34 chapters, the terms and conditions to be contained in licenses issued
35 under this chapter and chapter 69.51A RCW, and the qualifications for
36 receiving a license issued under this chapter and chapter 69.51A RCW,
37 including a criminal history record information check. The board may
38 submit any criminal history record information check to the
39 Washington state patrol and to the identification division of the
40 federal bureau of investigation in order that these agencies may

1 search their records for prior arrests and convictions of the
2 individual or individuals who filled out the forms. The board must
3 require fingerprinting of any applicant whose criminal history record
4 information check is submitted to the federal bureau of
5 investigation;

6 (i) Application, reinstatement, and renewal fees for licenses
7 issued under this chapter and chapter 69.51A RCW, and fees for
8 anything done or permitted to be done under the rules adopted to
9 implement and enforce this chapter and chapter 69.51A RCW;

10 (j) The manner of giving and serving notices required by this
11 chapter and chapter 69.51A RCW or rules adopted to implement or
12 enforce these chapters;

13 (k) Times and periods when, and the manner, methods, and means by
14 which, licensees transport and deliver ((~~marijuana~~))
15 cannabis, cannabis concentrates, useable ((~~marijuana~~)) cannabis, and
16 ((~~marijuana-infused~~)) cannabis-infused products within the state;

17 (l) Identification, seizure, confiscation, destruction, or
18 donation to law enforcement for training purposes of all ((~~marijuana~~))
19 cannabis, cannabis concentrates, useable ((~~marijuana~~))
20 cannabis, and ((~~marijuana-infused~~)) cannabis-infused products
21 produced, processed, sold, or offered for sale within this state
22 which do not conform in all respects to the standards prescribed by
23 this chapter or chapter 69.51A RCW or the rules adopted to implement
24 and enforce these chapters;

25 (m) The prohibition of any type of device used in conjunction
26 with a ((~~marijuana~~)) cannabis vapor product and the prohibition of
27 the use of any type of additive, solvent, ingredient, or compound in
28 the production and processing of ((~~marijuana~~)) cannabis products,
29 including ((~~marijuana~~)) cannabis vapor products, when the board
30 determines, following consultation with the department of health or
31 any other authority the board deems appropriate, that the device,
32 additive, solvent, ingredient, or compound may pose a risk to public
33 health or youth access; and

34 (n) Requirements for processors to submit under oath to the
35 department of health a complete list of all constituent substances
36 and the amount and sources thereof in each ((~~marijuana~~)) cannabis
37 vapor product, including all additives, thickening agents,
38 preservatives, compounds, and any other substance used in the
39 production and processing of each ((~~marijuana~~)) cannabis vapor
40 product.

1 (2) Rules adopted on retail outlets holding medical ((~~marijuana~~))
2 cannabis endorsements must be adopted in coordination and
3 consultation with the department.

4 (3) The board must adopt rules to perfect and expand existing
5 programs for compliance education for licensed ((~~marijuana~~)) cannabis
6 businesses and their employees. The rules must include a voluntary
7 compliance program created in consultation with licensed
8 ((~~marijuana~~)) cannabis businesses and their employees. The voluntary
9 compliance program must include recommendations on abating violations
10 of this chapter and rules adopted under this chapter.

11 **Sec. 63.** RCW 69.50.345 and 2019 c 393 s 2 are each amended to
12 read as follows:

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

16 (1) Licensing of ((~~marijuana~~)) cannabis producers, ((~~marijuana~~))
17 cannabis processors, and ((~~marijuana~~)) cannabis retailers, including
18 prescribing forms and establishing application, reinstatement, and
19 renewal fees.

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

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

1 ~~marijuana-infused~~) cannabis, or cannabis-infused products to be sold
2 to qualifying patients. If current (~~marijuana~~) cannabis producers
3 do not use all the increased production space, the (~~state liquor and~~
4 ~~cannabis~~) board may reopen the license period for new (~~marijuana~~)
5 cannabis producer license applicants but only to those (~~marijuana~~)
6 cannabis producers who agree to grow plants for (~~marijuana~~)
7 cannabis retailers holding medical (~~marijuana~~) cannabis
8 endorsements. Priority in licensing must be given to (~~marijuana~~)
9 cannabis producer license applicants who have an application pending
10 on July 24, 2015, but who are not yet licensed and then to new
11 (~~marijuana~~) cannabis producer license applicants. After January 1,
12 2017, any reconsideration of the limits on the amount of square feet
13 permitted to be in production to meet the medical needs of qualifying
14 patients must consider information contained in the medical
15 (~~marijuana~~) cannabis authorization database established in RCW
16 69.51A.230;

17 (2) Determining, in consultation with the office of financial
18 management, the maximum number of retail outlets that may be licensed
19 in each county, taking into consideration:

20 (a) Population distribution;

21 (b) Security and safety issues;

22 (c) The provision of adequate access to licensed sources of
23 (~~marijuana~~) cannabis concentrates, useable (~~marijuana, and~~
24 ~~marijuana-infused~~) cannabis, and cannabis-infused products to
25 discourage purchases from the illegal market; and

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

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

1 (4) Determining the maximum quantities of (~~marijuana,~~
2 ~~marijuana~~) cannabis, cannabis concentrates, useable (~~marijuana,~~ and
3 ~~marijuana-infused~~) cannabis, and cannabis-infused products a
4 (~~marijuana~~) cannabis processor may have on the premises of a
5 licensed location at any time without violating Washington state law;

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

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

13 (a) Security and safety issues;

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

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

21 (7) Determining the nature, form, and capacity of all containers
22 to be used by licensees to contain (~~marijuana, marijuana~~) cannabis,
23 cannabis concentrates, useable (~~marijuana,~~ and ~~marijuana-infused~~)
24 cannabis, and cannabis-infused products, and their labeling
25 requirements;

26 (8) In consultation with the department of agriculture and the
27 department, establishing classes of (~~marijuana, marijuana~~)
28 cannabis, cannabis concentrates, useable (~~marijuana,~~ and ~~marijuana-~~
29 ~~infused~~) cannabis, and cannabis infused products according to grade,
30 condition, cannabinoid profile, THC concentration, CBD concentration,
31 or other qualitative measurements deemed appropriate by the (~~state~~
32 ~~liquor and cannabis~~) board;

33 (9) Establishing reasonable time, place, and manner restrictions
34 and requirements regarding advertising of (~~marijuana, marijuana~~)
35 cannabis, cannabis concentrates, useable (~~marijuana,~~ and ~~marijuana-~~
36 ~~infused~~) cannabis, and cannabis-infused products that are not
37 inconsistent with the provisions of this chapter, taking into
38 consideration:

39 (a) Federal laws relating to (~~marijuana~~) cannabis that are
40 applicable within Washington state;

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

3 (c) The inclusion of medically and scientifically accurate
4 information about the health and safety risks posed by (~~marijuana~~)
5 cannabis use in the advertising; and

6 (d) Ensuring that retail outlets with medical (~~marijuana~~)
7 cannabis endorsements may advertise themselves as medical retail
8 outlets;

9 (10) Specifying and regulating the time and periods when, and the
10 manner, methods, and means by which, licensees shall transport and
11 deliver (~~marijuana, marijuana~~) cannabis, cannabis concentrates,
12 useable (~~marijuana, and marijuana-infused~~) cannabis, and cannabis-
13 infused products within the state;

14 (11) In consultation with the department and the department of
15 agriculture, establishing accreditation requirements for testing
16 laboratories used by licensees to demonstrate compliance with
17 standards adopted by the (~~state liquor and cannabis~~) board, and
18 prescribing methods of producing, processing, and packaging
19 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, useable
20 (~~marijuana, and marijuana-infused~~) cannabis, and cannabis-infused
21 products; conditions of sanitation; and standards of ingredients,
22 quality, and identity of (~~marijuana, marijuana~~) cannabis, cannabis
23 concentrates, useable (~~marijuana, and marijuana-infused~~) cannabis,
24 and cannabis-infused products produced, processed, packaged, or sold
25 by licensees;

26 (12) Specifying procedures for identifying, seizing,
27 confiscating, destroying, and donating to law enforcement for
28 training purposes all (~~marijuana, marijuana~~) cannabis, cannabis
29 concentrates, useable (~~marijuana, and marijuana-infused~~) cannabis,
30 and cannabis-infused products produced, processed, packaged, labeled,
31 or offered for sale in this state that do not conform in all respects
32 to the standards prescribed by this chapter or the rules of the
33 (~~state liquor and cannabis~~) board.

34 **Sec. 64.** RCW 69.50.345 and 2019 c 393 s 2 and 2019 c 277 s 6 are
35 each reenacted and amended to read as follows:

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

1 (1) Licensing of ~~((marijuana))~~ cannabis producers, ~~((marijuana))~~
2 cannabis processors, and ~~((marijuana))~~ cannabis retailers, including
3 prescribing forms and establishing application, reinstatement, and
4 renewal fees.

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

15 (b) The ~~((state liquor and cannabis))~~ board must reconsider and
16 increase limits on the amount of square feet permitted to be in
17 production on July 24, 2015, and increase the percentage of
18 production space for those ~~((marijuana))~~ cannabis producers who
19 intend to grow plants for ~~((marijuana))~~ cannabis retailers holding
20 medical ~~((marijuana))~~ cannabis endorsements if the ~~((marijuana))~~
21 cannabis producer designates the increased production space to plants
22 determined by the department under RCW 69.50.375 to be of a THC
23 concentration, CBD concentration, or THC to CBD ratio appropriate for
24 ~~((marijuana))~~ cannabis concentrates, useable ~~((marijuana, or~~
25 ~~marijuana-infused))~~ cannabis, or cannabis-infused products to be sold
26 to qualifying patients. If current ~~((marijuana))~~ cannabis producers
27 do not use all the increased production space, the ~~((state liquor and~~
28 ~~cannabis))~~ board may reopen the license period for new ~~((marijuana))~~
29 cannabis producer license applicants but only to those ~~((marijuana))~~
30 cannabis producers who agree to grow plants for ~~((marijuana))~~
31 cannabis retailers holding medical ~~((marijuana))~~ cannabis
32 endorsements. Priority in licensing must be given to ~~((marijuana))~~
33 cannabis producer license applicants who have an application pending
34 on July 24, 2015, but who are not yet licensed and then to new
35 ~~((marijuana))~~ cannabis producer license applicants. After January 1,
36 2017, any reconsideration of the limits on the amount of square feet
37 permitted to be in production to meet the medical needs of qualifying
38 patients must consider information contained in the medical
39 ~~((marijuana))~~ cannabis authorization database established in RCW
40 69.51A.230;

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

4 (a) Population distribution;

5 (b) Security and safety issues;

6 (c) The provision of adequate access to licensed sources of
7 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, and~~
8 ~~marijuana-infused~~)) cannabis, and cannabis-infused products to
9 discourage purchases from the illegal market; and

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

22 (3) Determining the maximum quantity of ((~~marijuana a marijuana~~))
23 cannabis a cannabis producer may have on the premises of a licensed
24 location at any time without violating Washington state law;

25 (4) Determining the maximum quantities of ((~~marijuana,~~
26 ~~marijuana~~)) cannabis, cannabis concentrates, useable ((~~marijuana, and~~
27 ~~marijuana-infused~~)) cannabis, and cannabis-infused products a
28 ((~~marijuana~~)) cannabis processor may have on the premises of a
29 licensed location at any time without violating Washington state law;

30 (5) Determining the maximum quantities of ((~~marijuana~~)) cannabis
31 concentrates, useable ((~~marijuana, and marijuana-infused~~)) cannabis,
32 and cannabis-infused products a ((~~marijuana~~)) cannabis retailer may
33 have on the premises of a retail outlet at any time without violating
34 Washington state law;

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

37 (a) Security and safety issues;

38 (b) The provision of adequate access to licensed sources of
39 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, useable

1 ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-infused
2 products to discourage purchases from the illegal market; and

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

6 (7) Determining the nature, form, and capacity of all containers
7 to be used by licensees to contain ((~~marijuana, marijuana~~)) cannabis,
8 cannabis concentrates, useable ((~~marijuana, and marijuana-infused~~))
9 cannabis, and cannabis-infused products, and their labeling
10 requirements;

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

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

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

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

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

31 (d) Ensuring that retail outlets with medical ((~~marijuana~~))
32 cannabis endorsements may advertise themselves as medical retail
33 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~~)) cannabis, cannabis concentrates,
37 useable ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-
38 infused products within the state;

39 (11) In consultation with the department and the department of
40 agriculture, prescribing methods of producing, processing, and

1 packaging (~~(marijuana, marijuana)~~) cannabis, cannabis concentrates,
2 useable (~~(marijuana, and marijuana-infused)~~) cannabis, and cannabis-
3 infused products; conditions of sanitation; and standards of
4 ingredients, quality, and identity of (~~(marijuana, marijuana)~~)
5 cannabis, cannabis concentrates, useable (~~(marijuana, and marijuana-~~
6 ~~infused)~~) cannabis, and cannabis-infused products produced,
7 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)~~) cannabis, cannabis
11 concentrates, useable (~~(marijuana, and marijuana-infused)~~) cannabis,
12 and cannabis-infused products produced, processed, packaged, labeled,
13 or offered for sale in this state that do not conform in all respects
14 to the standards prescribed by this chapter or the rules of the
15 (~~(state liquor and cannabis)~~) board.

16 **Sec. 65.** RCW 69.50.346 and 2019 c 393 s 3 are each amended to
17 read as follows:

18 (1) The label on a (~~(marijuana)~~) cannabis product container,
19 including (~~(marijuana)~~) cannabis concentrates, useable (~~(marijuana,~~
20 ~~or marijuana-infused)~~) cannabis, or cannabis-infused products, sold
21 at retail must include:

22 (a) The business or trade name and Washington state unified
23 business identifier number of the (~~(marijuana)~~) cannabis producer and
24 processor;

25 (b) The lot numbers of the product;

26 (c) The THC concentration and CBD concentration of the product;

27 (d) Medically and scientifically accurate and reliable
28 information about the health and safety risks posed by (~~(marijuana)~~)
29 cannabis use;

30 (e) Language required by RCW 69.04.480; and

31 (f) A disclaimer, subject to the following conditions:

32 (i) Where there is one statement made under subsection (2) of
33 this section, or as described in subsection (5)(b) of this section,
34 the disclaimer must state "This statement has not been evaluated by
35 the State of Washington. This product is not intended to diagnose,
36 treat, cure, or prevent any disease."; and

37 (ii) Where there is more than one statement made under subsection
38 (2) of this section, or as described in subsection (5)(b) of this
39 section, the disclaimer must state "These statements have not been

1 evaluated by the State of Washington. This product is not intended to
2 diagnose, treat, cure, or prevent any disease."

3 (2) (a) For ((~~marijuana~~)) cannabis products that have been
4 identified by the department in rules adopted under RCW 69.50.375(4)
5 in chapter 246-70 WAC as being a compliant ((~~marijuana~~)) cannabis
6 product, the product label and labeling may include a structure or
7 function claim describing the intended role of a product to maintain
8 the structure or any function of the body, or characterize the
9 documented mechanism by which the product acts to maintain such
10 structure or function, provided that the claim is truthful and not
11 misleading.

12 (b) A statement made under (a) of this subsection may not claim
13 to diagnose, mitigate, treat, cure, or prevent any disease.

14 (3) The labels and labeling may not be:

15 (a) False or misleading; or

16 (b) Especially appealing to children.

17 (4) The label is not required to include the business or trade
18 name or Washington state unified business identifier number of, or
19 any information about, the ((~~marijuana~~)) cannabis retailer selling
20 the ((~~marijuana~~)) cannabis product.

21 (5) A ((~~marijuana~~)) cannabis product is not in violation of any
22 Washington state law or rule of the ((~~Washington state liquor and~~
23 ~~cannabis~~)) board solely because its label or labeling contains:

24 (a) Directions or recommended conditions of use; or

25 (b) A warning describing the psychoactive effects of the
26 ((~~marijuana~~)) cannabis product, provided that the warning is truthful
27 and not misleading.

28 (6) This section does not create any civil liability on the part
29 of the state, the ((~~liquor and cannabis~~)) board, any other state
30 agency, officer, employee, or agent based on a ((~~marijuana~~)) cannabis
31 licensee's description of a structure or function claim or the
32 product's intended role under subsection (2) of this section.

33 (7) Nothing in this section shall apply to a drug, as defined in
34 RCW 69.50.101, or a pharmaceutical product approved by the United
35 States food and drug administration.

36 **Sec. 66.** RCW 69.50.348 and 2019 c 277 s 1 are each amended to
37 read as follows:

38 (1) On a schedule determined by the ((~~state liquor and cannabis~~))
39 board, every licensed ((~~marijuana~~)) cannabis producer and processor

1 must submit representative samples of (~~marijuana~~) cannabis, useable
2 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
3 products produced or processed by the licensee to an independent,
4 third-party testing laboratory meeting the accreditation requirements
5 established by the (~~state liquor and cannabis~~) board, for
6 inspection and testing to certify compliance with quality assurance
7 and product standards adopted by the (~~state liquor and cannabis~~)
8 board under RCW 69.50.342. Any sample remaining after testing shall
9 be destroyed by the laboratory or returned to the licensee submitting
10 the sample.

11 (2) Licensees must submit the results of inspection and testing
12 for quality assurance and product standards required under subsection
13 (1) of this section to the (~~state liquor and cannabis~~) board on a
14 form developed by the (~~state liquor and cannabis~~) board.

15 (3) If a representative sample inspected and tested under this
16 section does not meet the applicable quality assurance and product
17 standards established by the (~~state liquor and cannabis~~) board, the
18 entire lot from which the sample was taken must be destroyed.

19 (4) The (~~state liquor and cannabis~~) board may adopt rules
20 necessary to implement this section.

21 **Sec. 67.** RCW 69.50.348 and 2019 c 277 s 2 are each amended to
22 read as follows:

23 (1) On a schedule determined by the (~~state liquor and cannabis~~)
24 board, every licensed (~~marijuana~~) cannabis producer and processor
25 must submit representative samples of (~~marijuana~~) cannabis, useable
26 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
27 products produced or processed by the licensee to an independent,
28 third-party testing laboratory meeting the accreditation requirements
29 established by the state department of ecology, for inspection and
30 testing to certify compliance with quality assurance and product
31 standards adopted by the (~~state liquor and cannabis~~) board under
32 RCW 69.50.342. Any sample remaining after testing shall be destroyed
33 by the laboratory or returned to the licensee submitting the sample.

34 (2) Licensees must submit the results of inspection and testing
35 for quality assurance and product standards required under RCW
36 69.50.342 to the (~~state liquor and cannabis~~) board on a form
37 developed by the (~~state liquor and cannabis~~) board.

38 (3) If a representative sample inspected and tested under this
39 section does not meet the applicable quality assurance and product

1 standards established by the ((~~state liquor and cannabis~~)) board, the
2 entire lot from which the sample was taken must be destroyed.

3 (4) (a) The department of ecology may determine, assess, and
4 collect annual fees sufficient to cover the direct and indirect costs
5 of implementing a state ((~~marijuana~~)) cannabis product testing
6 laboratory accreditation program, except for the initial program
7 development costs. The department of ecology must develop a fee
8 schedule allocating the costs of the accreditation program among its
9 accredited ((~~marijuana~~)) cannabis product testing laboratories. The
10 department of ecology may establish a payment schedule requiring
11 periodic installments of the annual fee. The fee schedule must be
12 established in amounts to fully cover, but not exceed, the
13 administrative and oversight costs. The department of ecology must
14 review and update its fee schedule biennially. The costs of
15 ((~~marijuana~~)) cannabis product testing laboratory accreditation are
16 those incurred by the department of ecology in administering and
17 enforcing the accreditation program. The costs may include, but are
18 not limited to, the costs incurred in undertaking the following
19 accreditation functions:

- 20 (i) Evaluating the protocols and procedures used by a laboratory;
21 (ii) Performing on-site audits;
22 (iii) Evaluating participation and successful completion of
23 proficiency testing;
24 (iv) Determining the capability of a laboratory to produce
25 accurate and reliable test results; and
26 (v) Such other accreditation activities as the department of
27 ecology deems appropriate.

28 (b) The state ((~~marijuana~~)) cannabis product testing laboratory
29 accreditation program initial development costs must be fully paid
30 from the dedicated ((~~marijuana~~)) cannabis account created in RCW
31 69.50.530.

32 (5) The department of ecology and the ((~~liquor and cannabis~~))
33 board must act cooperatively to ensure effective implementation and
34 administration of this section.

35 (6) All fees collected under this section must be deposited in
36 the dedicated ((~~marijuana~~)) cannabis account created in RCW
37 69.50.530.

38 **Sec. 68.** RCW 69.50.351 and 2013 c 3 s 12 are each amended to
39 read as follows:

1 Except as provided by chapter 42.52 RCW, no member of the ((state
2 ~~liquor control~~)) board and no employee of the ((state ~~liquor~~
3 ~~control~~)) board shall have any interest, directly or indirectly, in
4 the producing, processing, or sale of ((~~marijuana~~)) cannabis, useable
5 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
6 products, or derive any profit or remuneration from the sale of
7 ((~~marijuana~~)) cannabis, useable ((~~marijuana, or marijuana-infused~~))
8 cannabis, or cannabis-infused products other than the salary or wages
9 payable to him or her in respect of his or her office or position,
10 and shall receive no gratuity from any person in connection with the
11 business.

12 **Sec. 69.** RCW 69.50.354 and 2015 c 70 s 9 are each amended to
13 read as follows:

14 There may be licensed, in no greater number in each of the
15 counties of the state than as the ((state ~~liquor and cannabis~~)) board
16 shall deem advisable, retail outlets established for the purpose of
17 making ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, and~~
18 ~~marijuana-infused~~)) cannabis, and cannabis-infused products available
19 for sale to adults aged twenty-one and over. Retail sale of
20 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, and~~
21 ~~marijuana-infused~~)) cannabis, and cannabis-infused products in
22 accordance with the provisions of this chapter and the rules adopted
23 to implement and enforce it, by a validly licensed ((~~marijuana~~))
24 cannabis retailer or retail outlet employee, shall not be a criminal
25 or civil offense under Washington state law.

26 **Sec. 70.** RCW 69.50.357 and 2017 c 317 s 13 and 2017 c 131 s 1
27 are each reenacted and amended to read as follows:

28 (1)(a) Retail outlets may not sell products or services other
29 than ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana,~~
30 ~~marijuana-infused~~)) cannabis, cannabis-infused products, or
31 paraphernalia intended for the storage or use of ((~~marijuana~~))
32 cannabis concentrates, useable ((~~marijuana, or marijuana-infused~~))
33 cannabis, or cannabis-infused products.

34 (b)(i) Retail outlets may receive lockable boxes, intended for
35 the secure storage of ((~~marijuana~~)) cannabis products and
36 paraphernalia, and related literature as a donation from another
37 person or entity, that is not a ((~~marijuana~~)) cannabis producer,
38 processor, or retailer, for donation to their customers.

1 (ii) Retail outlets may donate the lockable boxes and provide the
2 related literature to any person eligible to purchase ((~~marijuana~~))
3 cannabis products under subsection (2) of this section. Retail
4 outlets may not use the donation of lockable boxes or literature as
5 an incentive or as a condition of a recipient's purchase of a
6 ((~~marijuana~~)) cannabis product or paraphernalia.

7 (iii) Retail outlets may also purchase and sell lockable boxes,
8 provided that the sales price is not less than the cost of
9 acquisition.

10 (2) Licensed ((~~marijuana~~)) cannabis retailers may not employ
11 persons under twenty-one years of age or allow persons under twenty-
12 one years of age to enter or remain on the premises of a retail
13 outlet. However, qualifying patients between eighteen and twenty-one
14 years of age with a recognition card may enter and remain on the
15 premises of a retail outlet holding a medical ((~~marijuana~~)) cannabis
16 endorsement and may purchase products for their personal medical use.
17 Qualifying patients who are under the age of eighteen with a
18 recognition card and who accompany their designated providers may
19 enter and remain on the premises of a retail outlet holding a medical
20 ((~~marijuana~~)) cannabis endorsement, but may not purchase products for
21 their personal medical use.

22 (3) (a) Licensed ((~~marijuana~~)) cannabis retailers must ensure that
23 all employees are trained on the rules adopted to implement this
24 chapter, identification of persons under the age of twenty-one, and
25 other requirements adopted by the ((~~state liquor and cannabis~~)) board
26 to ensure that persons under the age of twenty-one are not permitted
27 to enter or remain on the premises of a retail outlet.

28 (b) Licensed ((~~marijuana~~)) cannabis retailers with a medical
29 ((~~marijuana~~)) cannabis endorsement must ensure that all employees are
30 trained on the subjects required by (a) of this subsection as well as
31 identification of authorizations and recognition cards. Employees
32 must also be trained to permit qualifying patients who hold
33 recognition cards and are between the ages of eighteen and twenty-one
34 to enter the premises and purchase ((~~marijuana~~)) cannabis for their
35 personal medical use and to permit qualifying patients who are under
36 the age of eighteen with a recognition card to enter the premises if
37 accompanied by their designated providers.

38 (4) Except for the purposes of disposal as authorized by the
39 ((~~state liquor and cannabis~~)) board, no licensed ((~~marijuana~~))
40 cannabis retailer or employee of a retail outlet may open or consume,

1 or allow to be opened or consumed, any (~~marijuana~~) cannabis
2 concentrates, useable (~~marijuana, or marijuana-infused~~) cannabis,
3 or cannabis-infused product on the outlet premises.

4 (5) The (~~state liquor and cannabis~~) board must fine a licensee
5 one thousand dollars for each violation of any subsection of this
6 section. Fines collected under this section must be deposited into
7 the dedicated (~~marijuana~~) cannabis account created under RCW
8 69.50.530.

9 **Sec. 71.** RCW 69.50.360 and 2015 c 207 s 6 and 2015 c 70 s 13 are
10 each reenacted and amended to read as follows:

11 The following acts, when performed by a validly licensed
12 (~~marijuana~~) cannabis retailer or employee of a validly licensed
13 retail outlet in compliance with rules adopted by the (~~state liquor~~
14 ~~and cannabis~~) board to implement and enforce chapter 3, Laws of
15 2013, do not constitute criminal or civil offenses under Washington
16 state law:

17 (1) Purchase and receipt of (~~marijuana~~) cannabis concentrates,
18 useable (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-
19 infused products that have been properly packaged and labeled from a
20 (~~marijuana~~) cannabis processor validly licensed under this chapter;

21 (2) Possession of quantities of (~~marijuana~~) cannabis
22 concentrates, useable (~~marijuana, or marijuana-infused~~) cannabis,
23 or cannabis-infused products that do not exceed the maximum amounts
24 established by the (~~state liquor and cannabis~~) board under RCW
25 69.50.345(5);

26 (3) Delivery, distribution, and sale, on the premises of the
27 retail outlet, of any combination of the following amounts of
28 (~~marijuana~~) cannabis concentrates, useable (~~marijuana, or~~
29 ~~marijuana-infused~~) cannabis, or cannabis-infused product to any
30 person twenty-one years of age or older:

31 (a) One ounce of useable (~~marijuana~~) cannabis;

32 (b) Sixteen ounces of (~~marijuana-infused~~) cannabis-infused
33 product in solid form;

34 (c) Seventy-two ounces of (~~marijuana-infused~~) cannabis-infused
35 product in liquid form; or

36 (d) Seven grams of (~~marijuana~~) cannabis concentrate; and

37 (4) Purchase and receipt of (~~marijuana~~) cannabis concentrates,
38 useable (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-
39 infused products that have been properly packaged and labeled from a

1 federally recognized Indian tribe as permitted under an agreement
2 between the state and the tribe entered into under RCW 43.06.490.

3 **Sec. 72.** RCW 69.50.363 and 2015 c 207 s 7 are each amended to
4 read as follows:

5 The following acts, when performed by a validly licensed
6 ~~((marijuana))~~ cannabis processor or employee of a validly licensed
7 ~~((marijuana))~~ cannabis processor in compliance with rules adopted by
8 the ~~((state-liquor-control))~~ board to implement and enforce chapter
9 3, Laws of 2013, do not constitute criminal or civil offenses under
10 Washington state law:

11 (1) Purchase and receipt of ~~((marijuana))~~ cannabis that has been
12 properly packaged and labeled from a ~~((marijuana))~~ cannabis producer
13 validly licensed under chapter 3, Laws of 2013;

14 (2) Possession, processing, packaging, and labeling of quantities
15 of ~~((marijuana))~~ cannabis, useable ~~((marijuana, and marijuana-~~
16 ~~infused))~~ cannabis, and cannabis-infused products that do not exceed
17 the maximum amounts established by the ~~((state-liquor-control))~~ board
18 under RCW 69.50.345(4);

19 (3) Delivery, distribution, and sale of useable ~~((marijuana-or~~
20 ~~marijuana-infused))~~ cannabis or cannabis-infused products to a
21 ~~((marijuana))~~ cannabis retailer validly licensed under chapter 3,
22 Laws of 2013; and

23 (4) Delivery, distribution, and sale of useable ~~((marijuana,~~
24 ~~marijuana))~~ cannabis, cannabis concentrates, or ~~((marijuana-infused))~~
25 cannabis-infused products to a federally recognized Indian tribe as
26 permitted under an agreement between the state and the tribe entered
27 into under RCW 43.06.490.

28 **Sec. 73.** RCW 69.50.366 and 2017 c 317 s 6 are each amended to
29 read as follows:

30 The following acts, when performed by a validly licensed
31 ~~((marijuana))~~ cannabis producer or employee of a validly licensed
32 ~~((marijuana))~~ cannabis producer in compliance with rules adopted by
33 the ~~((state-liquor-and-cannabis))~~ board to implement and enforce this
34 chapter, do not constitute criminal or civil offenses under
35 Washington state law:

36 (1) Production or possession of quantities of ~~((marijuana))~~
37 cannabis that do not exceed the maximum amounts established by the
38 ~~((state-liquor-and-cannabis))~~ board under RCW 69.50.345(3);

1 (2) Delivery, distribution, and sale of ((~~marijuana~~)) cannabis to
2 a ((~~marijuana~~)) cannabis processor or another ((~~marijuana~~)) cannabis
3 producer validly licensed under this chapter;

4 (3) Delivery, distribution, and sale of immature plants or clones
5 and ((~~marijuana~~)) cannabis seeds to a licensed ((~~marijuana~~)) cannabis
6 researcher, and to receive or purchase immature plants or clones and
7 seeds from a licensed ((~~marijuana~~)) cannabis researcher; and

8 (4) Delivery, distribution, and sale of ((~~marijuana~~)) cannabis or
9 useable ((~~marijuana~~)) cannabis to a federally recognized Indian tribe
10 as permitted under an agreement between the state and the tribe
11 entered into under RCW 43.06.490.

12 **Sec. 74.** RCW 69.50.369 and 2017 c 317 s 14 are each amended to
13 read as follows:

14 (1) No licensed ((~~marijuana~~)) cannabis producer, processor,
15 researcher, or retailer may place or maintain, or cause to be placed
16 or maintained, any sign or other advertisement for a ((~~marijuana~~))
17 cannabis business or ((~~marijuana~~)) cannabis product, including
18 useable ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, or
19 ((~~marijuana-infused~~)) cannabis-infused product, in any form or
20 through any medium whatsoever within one thousand feet of the
21 perimeter of a school grounds, playground, recreation center or
22 facility, child care center, public park, or library, or any game
23 arcade admission to which is not restricted to persons aged twenty-
24 one years or older.

25 (2) Except for the use of billboards as authorized under this
26 section, licensed ((~~marijuana~~)) cannabis retailers may not display
27 any signage outside of the licensed premises, other than two signs
28 identifying the retail outlet by the licensee's business or trade
29 name, stating the location of the business, and identifying the
30 nature of the business. Each sign must be no larger than one thousand
31 six hundred square inches and be permanently affixed to a building or
32 other structure. The location and content of the retail ((~~marijuana~~))
33 cannabis signs authorized under this subsection are subject to all
34 other requirements and restrictions established in this section for
35 indoor signs, outdoor signs, and other ((~~marijuana-related~~))
36 cannabis-related advertising methods.

37 (3) A ((~~marijuana~~)) cannabis licensee may not utilize transit
38 advertisements for the purpose of advertising its business or product
39 line. "Transit advertisements" means advertising on or within private

1 or public vehicles and all advertisements placed at, on, or within
2 any bus stop, taxi stand, transportation waiting area, train station,
3 airport, or any similar transit-related location.

4 (4) A ((~~marijuana~~)) cannabis licensee may not engage in
5 advertising or other marketing practice that specifically targets
6 persons residing outside of the state of Washington.

7 (5) All signs, billboards, or other print advertising for
8 ((~~marijuana~~)) cannabis businesses or ((~~marijuana~~)) cannabis products
9 must contain text stating that ((~~marijuana~~)) cannabis products may be
10 purchased or possessed only by persons twenty-one years of age or
11 older.

12 (6) A ((~~marijuana~~)) cannabis licensee may not:

13 (a) Take any action, directly or indirectly, to target youth in
14 the advertising, promotion, or marketing of ((~~marijuana~~—and
15 ~~marijuana~~)) cannabis and cannabis products, or take any action the
16 primary purpose of which is to initiate, maintain, or increase the
17 incidence of youth use of ((~~marijuana~~—or—~~marijuana~~)) cannabis or
18 cannabis products;

19 (b) Use objects such as toys or inflatables, movie or cartoon
20 characters, or any other depiction or image likely to be appealing to
21 youth, where such objects, images, or depictions indicate an intent
22 to cause youth to become interested in the purchase or consumption of
23 ((~~marijuana~~)) cannabis products; or

24 (c) Use or employ a commercial mascot outside of, and in
25 proximity to, a licensed ((~~marijuana~~)) cannabis business. A
26 "commercial mascot" means live human being, animal, or mechanical
27 device used for attracting the attention of motorists and passersby
28 so as to make them aware of ((~~marijuana~~)) cannabis products or the
29 presence of a ((~~marijuana~~)) cannabis business. Commercial mascots
30 include, but are not limited to, inflatable tube displays, persons in
31 costume, or wearing, holding, or spinning a sign with a ((~~marijuana~~—
32 ~~related~~)) cannabis-related commercial message or image, where the
33 intent is to draw attention to a ((~~marijuana~~)) cannabis business or
34 its products.

35 (7) A ((~~marijuana~~)) cannabis licensee that engages in outdoor
36 advertising is subject to the advertising requirements and
37 restrictions set forth in this subsection (7) and elsewhere in this
38 chapter.

39 (a) All outdoor advertising signs, including billboards, are
40 limited to text that identifies the retail outlet by the licensee's

1 business or trade name, states the location of the business, and
2 identifies the type or nature of the business. Such signs may not
3 contain any depictions of (~~marijuana~~) cannabis plants,
4 (~~marijuana~~) cannabis products, or images that might be appealing to
5 children. The (~~state liquor and cannabis~~) board is granted rule-
6 making authority to regulate the text and images that are permissible
7 on outdoor advertising. Such rule making must be consistent with
8 other administrative rules generally applicable to the advertising of
9 (~~marijuana~~) cannabis businesses and products.

10 (b) Outdoor advertising is prohibited:

11 (i) On signs and placards in arenas, stadiums, shopping malls,
12 fairs that receive state allocations, farmers markets, and video game
13 arcades, whether any of the foregoing are open air or enclosed, but
14 not including any such sign or placard located in an adult only
15 facility; and

16 (ii) Billboards that are visible from any street, road, highway,
17 right-of-way, or public parking area are prohibited, except as
18 provided in (c) of this subsection.

19 (c) Licensed retail outlets may use a billboard or outdoor sign
20 solely for the purpose of identifying the name of the business, the
21 nature of the business, and providing the public with directional
22 information to the licensed retail outlet. Billboard advertising is
23 subject to the same requirements and restrictions as set forth in (a)
24 of this subsection.

25 (d) Advertising signs within the premises of a retail
26 (~~marijuana~~) cannabis business outlet that are visible to the public
27 from outside the premises must meet the signage regulations and
28 requirements applicable to outdoor signs as set forth in this
29 section.

30 (e) The restrictions and regulations applicable to outdoor
31 advertising under this section are not applicable to:

32 (i) An advertisement inside a licensed retail establishment that
33 sells (~~marijuana~~) cannabis products that is not placed on the
34 inside surface of a window facing outward; or

35 (ii) An outdoor advertisement at the site of an event to be held
36 at an adult only facility that is placed at such site during the
37 period the facility or enclosed area constitutes an adult only
38 facility, but in no event more than fourteen days before the event,
39 and that does not advertise any (~~marijuana~~) cannabis product other
40 than by using a brand name to identify the event.

1 (8) Merchandising within a retail outlet is not advertising for
2 the purposes of this section.

3 (9) This section does not apply to a noncommercial message.

4 (10)(a) The ((~~state liquor and cannabis~~)) board must:

5 (i) Adopt rules implementing this section and specifically
6 including provisions regulating the billboards and outdoor signs
7 authorized under this section; and

8 (ii) Fine a licensee one thousand dollars for each violation of
9 this section until the ((~~state liquor and cannabis~~)) board adopts
10 rules prescribing penalties for violations of this section. The rules
11 must establish escalating penalties including fines and up to
12 suspension or revocation of a ((~~marijuana~~)) cannabis license for
13 subsequent violations.

14 (b) Fines collected under this subsection must be deposited into
15 the dedicated ((~~marijuana~~)) cannabis account created under RCW
16 69.50.530.

17 (11) A city, town, or county may adopt rules of outdoor
18 advertising by licensed ((~~marijuana~~)) cannabis retailers that are
19 more restrictive than the advertising restrictions imposed under this
20 chapter. Enforcement of restrictions to advertising by a city, town,
21 or county is the responsibility of the city, town, or county.

22 **Sec. 75.** RCW 69.50.372 and 2017 c 317 s 3 and 2017 c 316 s 3 are
23 each reenacted and amended to read as follows:

24 (1) A ((~~marijuana~~)) cannabis research license is established that
25 permits a licensee to produce, process, and possess ((~~marijuana~~))
26 cannabis for the following limited research purposes:

27 (a) To test chemical potency and composition levels;

28 (b) To conduct clinical investigations of ((~~marijuana-derived~~))
29 cannabis-derived drug products;

30 (c) To conduct research on the efficacy and safety of
31 administering ((~~marijuana~~)) cannabis as part of medical treatment;
32 and

33 (d) To conduct genomic or agricultural research.

34 (2) As part of the application process for a ((~~marijuana~~))
35 cannabis research license, an applicant must submit to the ((~~liquor~~
36 ~~and cannabis~~)) board's designated scientific reviewer a description
37 of the research that is intended to be conducted. The ((~~liquor and~~
38 ~~cannabis~~)) board must select a scientific reviewer to review an
39 applicant's research project and determine that it meets the

1 requirements of subsection (1) of this section, as well as assess the
2 following:

3 (a) Project quality, study design, value, or impact;

4 (b) Whether applicants have the appropriate personnel, expertise,
5 facilities/infrastructure, funding, and human/animal/other federal
6 approvals in place to successfully conduct the project; and

7 (c) Whether the amount of ((~~marijuana~~)) cannabis to be grown by
8 the applicant is consistent with the project's scope and goals.

9 If the scientific reviewer determines that the research project
10 does not meet the requirements of subsection (1) of this section, the
11 application must be denied.

12 (3) A ((~~marijuana~~)) cannabis research licensee may only sell
13 ((~~marijuana~~)) cannabis grown or within its operation to other
14 ((~~marijuana~~)) cannabis research licensees. The ((~~liquor—and~~
15 ~~eannabis~~)) board may revoke a ((~~marijuana~~)) cannabis research license
16 for violations of this subsection.

17 (4) A ((~~marijuana~~)) cannabis research licensee may contract with
18 the University of Washington or Washington State University to
19 perform research in conjunction with the university. All research
20 projects, not including those projects conducted pursuant to a
21 contract entered into under RCW 28B.20.502(3), must be approved by
22 the scientific reviewer and meet the requirements of subsection (1)
23 of this section.

24 (5) In establishing a ((~~marijuana~~)) cannabis research license,
25 the ((~~liquor and cannabis~~)) board may adopt rules on the following:

26 (a) Application requirements;

27 (b) ((~~Marijuana~~)) Cannabis research license renewal requirements,
28 including whether additional research projects may be added or
29 considered;

30 (c) Conditions for license revocation;

31 (d) Security measures to ensure ((~~marijuana~~)) cannabis is not
32 diverted to purposes other than research;

33 (e) Amount of plants, useable ((~~marijuana, marijuana~~)) cannabis,
34 cannabis concentrates, or ((~~marijuana-infused~~)) cannabis-infused
35 products a licensee may have on its premises;

36 (f) Licensee reporting requirements;

37 (g) Conditions under which ((~~marijuana~~)) cannabis grown by
38 licensed ((~~marijuana~~)) cannabis producers and other product types
39 from licensed ((~~marijuana~~)) cannabis processors may be donated to
40 ((~~marijuana~~)) cannabis research licensees; and

1 (h) Additional requirements deemed necessary by the (~~liquor and~~
2 ~~cannabis~~) board.

3 (6) The production, processing, possession, delivery, donation,
4 and sale of (~~marijuana~~) cannabis, including immature plants or
5 clones and seeds, in accordance with this section, RCW 69.50.366(3),
6 and the rules adopted to implement and enforce this section and RCW
7 69.50.366(3), by a validly licensed (~~marijuana~~) cannabis
8 researcher, shall not be a criminal or civil offense under Washington
9 state law. Every (~~marijuana~~) cannabis research license must be
10 issued in the name of the applicant, must specify the location at
11 which the (~~marijuana~~) cannabis researcher intends to operate, which
12 must be within the state of Washington, and the holder thereof may
13 not allow any other person to use the license.

14 (7) The application fee for a (~~marijuana~~) cannabis research
15 license is two hundred fifty dollars. The annual fee for issuance and
16 renewal of a (~~marijuana~~) cannabis research license is one thousand
17 three hundred dollars. The applicant must pay the cost of the review
18 process directly to the scientific reviewer as designated by the
19 (~~liquor and cannabis~~) board.

20 (8) The scientific reviewer shall review any reports made by
21 (~~marijuana~~) cannabis research licensees under (~~liquor and~~
22 ~~cannabis~~) board rule and provide the (~~liquor and cannabis~~) board
23 with its determination on whether the research project continues to
24 meet research qualifications under this section.

25 (9) For the purposes of this section, "scientific reviewer" means
26 an organization that convenes or contracts with persons who have the
27 training and experience in research practice and research methodology
28 to determine whether a project meets the criteria for a (~~marijuana~~)
29 cannabis research license under this section and to review any
30 reports submitted by (~~marijuana~~) cannabis research licensees under
31 (~~liquor and cannabis~~) board rule. "Scientific reviewers" include,
32 but are not limited to, educational institutions, research
33 institutions, peer review bodies, or such other organizations that
34 are focused on science or research in its day-to-day activities.

35 **Sec. 76.** RCW 69.50.375 and 2015 c 70 s 10 are each amended to
36 read as follows:

37 (1) A medical (~~marijuana~~) cannabis endorsement to a
38 (~~marijuana~~) cannabis retail license is hereby established to permit
39 a (~~marijuana~~) cannabis retailer to sell (~~marijuana~~) cannabis for

1 medical use to qualifying patients and designated providers. This
2 endorsement also permits such retailers to provide ((~~marijuana~~))
3 cannabis at no charge, at their discretion, to qualifying patients
4 and designated providers.

5 (2) An applicant may apply for a medical ((~~marijuana~~)) cannabis
6 endorsement concurrently with an application for a ((~~marijuana~~))
7 cannabis retail license.

8 (3) To be issued an endorsement, a ((~~marijuana~~)) cannabis
9 retailer must:

10 (a) Not authorize the medical use of ((~~marijuana~~)) cannabis for
11 qualifying patients at the retail outlet or permit health care
12 professionals to authorize the medical use of ((~~marijuana~~)) cannabis
13 for qualifying patients at the retail outlet;

14 (b) Carry ((~~marijuana~~)) cannabis concentrates and ((~~marijuana-~~
15 ~~infused~~)) cannabis-infused products identified by the department
16 under subsection (4) of this section;

17 (c) Not use labels or market ((~~marijuana~~)) cannabis concentrates,
18 useable ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-
19 infused products in a way that make them intentionally attractive to
20 minors;

21 (d) Demonstrate the ability to enter qualifying patients and
22 designated providers in the medical ((~~marijuana~~)) cannabis
23 authorization database established in RCW 69.51A.230 and issue
24 recognition cards and agree to enter qualifying patients and
25 designated providers into the database and issue recognition cards in
26 compliance with department standards;

27 (e) Keep copies of the qualifying patient's or designated
28 provider's recognition card, or keep equivalent records as required
29 by rule of the ((~~state liquor and cannabis~~)) board or the department
30 of revenue to document the validity of tax exempt sales; and

31 (f) Meet other requirements as adopted by rule of the department
32 or the ((~~state liquor and cannabis~~)) board.

33 (4) The department, in conjunction with the ((~~state liquor and~~
34 ~~cannabis~~)) board, must adopt rules on requirements for ((~~marijuana~~))
35 cannabis concentrates, useable ((~~marijuana, and marijuana-infused~~))
36 cannabis, and cannabis-infused products that may be sold, or provided
37 at no charge, to qualifying patients or designated providers at a
38 retail outlet holding a medical ((~~marijuana~~)) cannabis endorsement.
39 These rules must include:

1 (a) THC concentration, CBD concentration, or low THC, high CBD
2 ratios appropriate for ((~~marijuana~~)) cannabis concentrates, useable
3 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
4 products sold to qualifying patients or designated providers;

5 (b) Labeling requirements including that the labels attached to
6 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
7 ~~marijuana-infused~~)) cannabis, or cannabis-infused products contain
8 THC concentration, CBD concentration, and THC to CBD ratios;

9 (c) Other product requirements, including any additional mold,
10 fungus, or pesticide testing requirements, or limitations to the
11 types of solvents that may be used in ((~~marijuana~~)) cannabis
12 processing that the department deems necessary to address the medical
13 needs of qualifying patients;

14 (d) Safe handling requirements for ((~~marijuana~~)) cannabis
15 concentrates, useable ((~~marijuana, or marijuana-infused~~)) cannabis,
16 or cannabis-infused products; and

17 (e) Training requirements for employees.

18 (5) A ((~~marijuana~~)) cannabis retailer holding an endorsement to
19 sell ((~~marijuana~~)) cannabis to qualifying patients or designated
20 providers must train its employees on:

21 (a) Procedures regarding the recognition of valid authorizations
22 and the use of equipment to enter qualifying patients and designated
23 providers into the medical ((~~marijuana~~)) cannabis authorization
24 database;

25 (b) Recognition of valid recognition cards; and

26 (c) Recognition of strains, varieties, THC concentration, CBD
27 concentration, and THC to CBD ratios of ((~~marijuana~~)) cannabis
28 concentrates, useable ((~~marijuana, and marijuana-infused~~)) cannabis,
29 and cannabis-infused products, available for sale when assisting
30 qualifying patients and designated providers at the retail outlet.

31 **Sec. 77.** RCW 69.50.378 and 2015 c 70 s 11 are each amended to
32 read as follows:

33 A ((~~marijuana~~)) cannabis retailer or a ((~~marijuana~~)) cannabis
34 retailer holding a medical ((~~marijuana~~)) cannabis endorsement may
35 sell products with a THC concentration of 0.3 percent or less.
36 ((~~Marijuana~~)) Cannabis retailers holding a medical ((~~marijuana~~))
37 cannabis endorsement may also provide these products at no charge to
38 qualifying patients or designated providers.

1 **Sec. 78.** RCW 69.50.380 and 2015 2nd sp.s. c 4 s 211 are each
2 amended to read as follows:

3 (1) (~~Marijuana~~) Cannabis producers, processors, and retailers
4 are prohibited from making sales of any (~~marijuana or marijuana~~)
5 cannabis or cannabis product, if the sale of the (~~marijuana or~~
6 ~~marijuana~~) cannabis or cannabis product is conditioned upon the
7 buyer's purchase of any service or (~~nonmarijuana~~) noncannabis
8 product. This subsection applies whether the buyer purchases such
9 service or (~~nonmarijuana~~) noncannabis product at the time of sale
10 of the (~~marijuana or marijuana~~) cannabis or cannabis product, or in
11 a separate transaction.

12 (2) The definitions in this subsection apply throughout this
13 section unless the context clearly requires otherwise.

14 (a) (~~"Marijuana~~) "Cannabis product" means "useable
15 (~~marijuana,~~" ~~"marijuana~~) cannabis," "cannabis concentrates," and
16 (~~"marijuana-infused~~) "cannabis-infused products," as those terms
17 are defined in RCW 69.50.101.

18 (b) (~~"Nonmarijuana~~) "Noncannabis product" includes
19 paraphernalia, promotional items, lighters, bags, boxes, containers,
20 and such other items as may be identified by the (~~state liquor and~~
21 ~~cannabis~~) board.

22 (c) "Selling price" has the same meaning as in RCW 69.50.535.

23 (d) "Service" includes memberships and any other services
24 identified by the (~~state liquor and cannabis~~) board.

25 **Sec. 79.** RCW 69.50.382 and 2017 c 317 s 7 are each amended to
26 read as follows:

27 (1) A licensed (~~marijuana~~) cannabis producer, (~~marijuana~~)
28 cannabis processor, (~~marijuana~~) cannabis researcher, or
29 (~~marijuana~~) cannabis retailer, or their employees, in accordance
30 with the requirements of this chapter and the administrative rules
31 adopted thereunder, may use the services of a common carrier subject
32 to regulation under chapters 81.28 and 81.29 RCW and licensed in
33 compliance with the regulations established under RCW 69.50.385, to
34 physically transport or deliver, as authorized under this chapter,
35 (~~marijuana~~) cannabis, useable (~~marijuana, marijuana~~) cannabis,
36 cannabis concentrates, immature plants or clones, (~~marijuana~~)
37 cannabis seeds, and (~~marijuana-infused~~) cannabis-infused products
38 between licensed (~~marijuana~~) cannabis businesses located within the
39 state.

1 (2) An employee of a common carrier engaged in (~~marijuana-~~
2 ~~related~~) cannabis-related transportation or delivery services
3 authorized under subsection (1) of this section is prohibited from
4 carrying or using a firearm during the course of providing such
5 services, unless:

6 (a) Pursuant to RCW 69.50.385, the (~~state liquor and cannabis~~)
7 board explicitly authorizes the carrying or use of firearms by such
8 employee while engaged in the transportation or delivery services;

9 (b) The employee has an armed private security guard license
10 issued pursuant to RCW 18.170.040; and

11 (c) The employee is in full compliance with the regulations
12 established by the (~~state liquor and cannabis~~) board under RCW
13 69.50.385.

14 (3) A common carrier licensed under RCW 69.50.385 may, for the
15 purpose of transporting and delivering (~~marijuana~~) cannabis,
16 useable (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
17 (~~marijuana-infused~~) cannabis-infused products, utilize Washington
18 state ferry routes for such transportation and delivery.

19 (4) The possession of (~~marijuana~~) cannabis, useable
20 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
21 (~~marijuana-infused~~) cannabis-infused products being physically
22 transported or delivered within the state, in amounts not exceeding
23 those that may be established under RCW 69.50.385(3), by a licensed
24 employee of a common carrier when performing the duties authorized
25 under, and in accordance with, this section and RCW 69.50.385, is not
26 a violation of this section, this chapter, or any other provision of
27 Washington state law.

28 **Sec. 80.** RCW 69.50.385 and 2015 2nd sp.s. c 4 s 502 are each
29 amended to read as follows:

30 (1) The (~~state liquor and cannabis~~) board must adopt rules
31 providing for an annual licensing procedure of a common carrier who
32 seeks to transport or deliver (~~marijuana~~) cannabis, useable
33 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
34 (~~marijuana-infused~~) cannabis-infused products within the state.

35 (2) The rules for licensing must:

36 (a) Establish criteria for considering the approval or denial of
37 a common carrier's original application or renewal application;

1 (b) Provide minimum qualifications for any employee authorized to
2 drive or operate the transportation or delivery vehicle, including a
3 minimum age of at least twenty-one years;

4 (c) Address the safety of the employees transporting or
5 delivering the products, including issues relating to the carrying of
6 firearms by such employees;

7 (d) Address the security of the products being transported,
8 including a system of electronically tracking all products at both
9 the point of pickup and the point of delivery; and

10 (e) Set reasonable fees for the application and licensing
11 process.

12 (3) The ((~~state liquor and cannabis~~)) board may adopt rules
13 establishing the maximum amounts of ((~~marijuana~~)) cannabis, useable
14 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, and
15 ((~~marijuana-infused~~)) cannabis-infused products that may be
16 physically transported or delivered at one time by a common carrier
17 as provided under RCW 69.50.382.

18 **Sec. 81.** RCW 69.50.390 and 2015 2nd sp.s. c 4 s 1301 are each
19 amended to read as follows:

20 (1) A retailer licensed under this chapter is prohibited from
21 operating a vending machine, as defined in RCW 82.08.080(3) for the
22 sale of ((~~marijuana~~)) cannabis products at retail or a drive-through
23 purchase facility where ((~~marijuana~~)) cannabis products are sold at
24 retail and dispensed through a window or door to a purchaser who is
25 either in or on a motor vehicle or otherwise located outside of the
26 licensed premises at the time of sale.

27 (2) The ((~~state liquor and cannabis~~)) board may not issue,
28 transfer, or renew a ((~~marijuana~~)) cannabis retail license for any
29 licensee in violation of the provisions of subsection (1) of this
30 section.

31 **Sec. 82.** RCW 69.50.395 and 2019 c 380 s 1 are each amended to
32 read as follows:

33 (1) A licensed ((~~marijuana~~)) cannabis business may enter into an
34 agreement with any person, business, or other entity for:

35 (a) Any goods or services that are registered as a trademark
36 under federal law, under chapter 19.77 RCW, or under any other state
37 or international trademark law;

38 (b) Any unregistered trademark, trade name, or trade dress; or

1 (c) Any trade secret, technology, or proprietary information used
2 to manufacture a cannabis product or used to provide a service
3 related to any (~~marijuana~~) cannabis business.

4 (2) Any agreements entered into by a licensed (~~marijuana~~)
5 cannabis business, as authorized under this section, must be
6 disclosed to the (~~state liquor and cannabis~~) board and may include:

7 (a) A royalty fee or flat rate calculated based on sales of each
8 product that includes the intellectual property or was manufactured
9 or sold using the licensed intellectual property or service, provided
10 that the royalty fee is no greater than an amount equivalent to ten
11 percent of the licensed (~~marijuana~~) cannabis business's gross sales
12 derived from the sale of such product;

13 (b) A flat rate or lump sum calculated based on time or
14 milestones;

15 (c) Terms giving either party exclusivity or qualified
16 exclusivity as it relates to use of the intellectual property;

17 (d) Quality control standards as necessary to protect the
18 integrity of the intellectual property;

19 (e) Enforcement obligations to be undertaken by the licensed
20 (~~marijuana~~) cannabis business;

21 (f) Covenants to use the licensed intellectual property; and

22 (g) Assignment of licensor improvements of the intellectual
23 property.

24 (3) A person, business, or entity that enters into an agreement
25 with a licensed (~~marijuana~~) cannabis business, where both parties
26 to the agreement are in compliance with the terms of this section, is
27 exempt from the requirement to qualify for a (~~marijuana~~) cannabis
28 business license for purposes of the agreements authorized by
29 subsection (1) of this section.

30 (4) All agreements entered into by a licensed (~~marijuana~~)
31 cannabis business, as authorized by this section, are subject to the
32 (~~liquor and cannabis~~) board's recordkeeping requirements as
33 established by rule.

34 **Sec. 83.** RCW 69.50.401 and 2019 c 379 s 2 are each amended to
35 read as follows:

36 (1) Except as authorized by this chapter, it is unlawful for any
37 person to manufacture, deliver, or possess with intent to manufacture
38 or deliver, a controlled substance.

39 (2) Any person who violates this section with respect to:

1 (a) A controlled substance classified in Schedule I or II which
2 is a narcotic drug or flunitrazepam, including its salts, isomers,
3 and salts of isomers, classified in Schedule IV, is guilty of a class
4 B felony and upon conviction may be imprisoned for not more than ten
5 years, or (i) fined not more than twenty-five thousand dollars if the
6 crime involved less than two kilograms of the drug, or both such
7 imprisonment and fine; or (ii) if the crime involved two or more
8 kilograms of the drug, then fined not more than one hundred thousand
9 dollars for the first two kilograms and not more than fifty dollars
10 for each gram in excess of two kilograms, or both such imprisonment
11 and fine;

12 (b) Amphetamine, including its salts, isomers, and salts of
13 isomers, or methamphetamine, including its salts, isomers, and salts
14 of isomers, is guilty of a class B felony and upon conviction may be
15 imprisoned for not more than ten years, or (i) fined not more than
16 twenty-five thousand dollars if the crime involved less than two
17 kilograms of the drug, or both such imprisonment and fine; or (ii) if
18 the crime involved two or more kilograms of the drug, then fined not
19 more than one hundred thousand dollars for the first two kilograms
20 and not more than fifty dollars for each gram in excess of two
21 kilograms, or both such imprisonment and fine. Three thousand dollars
22 of the fine may not be suspended. As collected, the first three
23 thousand dollars of the fine must be deposited with the law
24 enforcement agency having responsibility for cleanup of laboratories,
25 sites, or substances used in the manufacture of the methamphetamine,
26 including its salts, isomers, and salts of isomers. The fine moneys
27 deposited with that law enforcement agency must be used for such
28 clean-up cost;

29 (c) Any other controlled substance classified in Schedule I, II,
30 or III, is guilty of a class C felony punishable according to chapter
31 9A.20 RCW, except as provided in RCW 69.50.475;

32 (d) A substance classified in Schedule IV, except flunitrazepam,
33 including its salts, isomers, and salts of isomers, is guilty of a
34 class C felony punishable according to chapter 9A.20 RCW; or

35 (e) A substance classified in Schedule V, is guilty of a class C
36 felony punishable according to chapter 9A.20 RCW.

37 (3) The production, manufacture, processing, packaging, delivery,
38 distribution, sale, or possession of (~~marijuana~~) cannabis in
39 compliance with the terms set forth in RCW 69.50.360, 69.50.363, or

1 69.50.366 shall not constitute a violation of this section, this
2 chapter, or any other provision of Washington state law.

3 (4) The fines in this section apply to adult offenders only.

4 **Sec. 84.** RCW 69.50.4013 and 2017 c 317 s 15 are each amended to
5 read as follows:

6 (1) It is unlawful for any person to possess a controlled
7 substance unless the substance was obtained directly from, or
8 pursuant to, a valid prescription or order of a practitioner while
9 acting in the course of his or her professional practice, or except
10 as otherwise authorized by this chapter.

11 (2) Except as provided in RCW 69.50.4014, any person who violates
12 this section is guilty of a class C felony punishable under chapter
13 9A.20 RCW.

14 (3)(a) The possession, by a person twenty-one years of age or
15 older, of useable ((~~marijuana, marijuana~~)) cannabis, cannabis
16 concentrates, or ((~~marijuana-infused~~)) cannabis-infused products in
17 amounts that do not exceed those set forth in RCW 69.50.360(3) is not
18 a violation of this section, this chapter, or any other provision of
19 Washington state law.

20 (b) The possession of ((~~marijuana~~)) cannabis, useable
21 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, and
22 ((~~marijuana-infused~~)) cannabis-infused products being physically
23 transported or delivered within the state, in amounts not exceeding
24 those that may be established under RCW 69.50.385(3), by a licensed
25 employee of a common carrier when performing the duties authorized in
26 accordance with RCW 69.50.382 and 69.50.385, is not a violation of
27 this section, this chapter, or any other provision of Washington
28 state law.

29 (4)(a) The delivery by a person twenty-one years of age or older
30 to one or more persons twenty-one years of age or older, during a
31 single twenty-four hour period, for noncommercial purposes and not
32 conditioned upon or done in connection with the provision or receipt
33 of financial consideration, of any of the following ((~~marijuana~~))
34 cannabis products, is not a violation of this section, this chapter,
35 or any other provisions of Washington state law:

36 (i) One-half ounce of useable ((~~marijuana~~)) cannabis;

37 (ii) Eight ounces of ((~~marijuana-infused~~)) cannabis-infused
38 product in solid form;

1 (iii) Thirty-six ounces of (~~marijuana-infused~~) cannabis-infused
2 product in liquid form; or

3 (iv) Three and one-half grams of (~~marijuana~~) cannabis
4 concentrates.

5 (b) The act of delivering (~~marijuana or a marijuana~~) cannabis
6 or a cannabis product as authorized under this subsection (4) must
7 meet one of the following requirements:

8 (i) The delivery must be done in a location outside of the view
9 of general public and in a nonpublic place; or

10 (ii) The (~~marijuana or marijuana~~) cannabis or cannabis product
11 must be in the original packaging as purchased from the (~~marijuana~~)
12 cannabis retailer.

13 (5) No person under twenty-one years of age may possess,
14 manufacture, sell, or distribute (~~marijuana, marijuana-infused~~)
15 cannabis, cannabis-infused products, or (~~marijuana~~) cannabis
16 concentrates, regardless of THC concentration. This does not include
17 qualifying patients with a valid authorization.

18 (6) The possession by a qualifying patient or designated provider
19 of (~~marijuana~~) cannabis concentrates, useable (~~marijuana,~~
20 ~~marijuana-infused~~) cannabis, cannabis-infused products, or plants in
21 accordance with chapter 69.51A RCW is not a violation of this
22 section, this chapter, or any other provision of Washington state
23 law.

24 **Sec. 85.** RCW 69.50.4014 and 2015 2nd sp.s. c 4 s 505 are each
25 amended to read as follows:

26 Except as provided in RCW 69.50.401(2)(c) or as otherwise
27 authorized by this chapter, any person found guilty of possession of
28 forty grams or less of (~~marijuana~~) cannabis is guilty of a
29 misdemeanor.

30 **Sec. 86.** RCW 69.50.408 and 2003 c 53 s 341 are each amended to
31 read as follows:

32 (1) Any person convicted of a second or subsequent offense under
33 this chapter may be imprisoned for a term up to twice the term
34 otherwise authorized, fined an amount up to twice that otherwise
35 authorized, or both.

36 (2) For purposes of this section, an offense is considered a
37 second or subsequent offense, if, prior to his or her conviction of
38 the offense, the offender has at any time been convicted under this

1 chapter or under any statute of the United States or of any state
2 relating to narcotic drugs, (~~marihuaana~~) cannabis, depressant,
3 stimulant, or hallucinogenic drugs.

4 (3) This section does not apply to offenses under RCW 69.50.4013.

5 **Sec. 87.** RCW 69.50.410 and 2003 c 53 s 342 are each amended to
6 read as follows:

7 (1) Except as authorized by this chapter it is a class C felony
8 for any person to sell for profit any controlled substance or
9 counterfeit substance classified in Schedule I, RCW 69.50.204, except
10 leaves and flowering tops of (~~marihuaana~~) cannabis.

11 For the purposes of this section only, the following words and
12 phrases shall have the following meanings:

13 (a) "To sell" means the passing of title and possession of a
14 controlled substance from the seller to the buyer for a price whether
15 or not the price is paid immediately or at a future date.

16 (b) "For profit" means the obtaining of anything of value in
17 exchange for a controlled substance.

18 (c) "Price" means anything of value.

19 (2)(a) Any person convicted of a violation of subsection (1) of
20 this section shall receive a sentence of not more than five years in
21 a correctional facility of the department of social and health
22 services for the first offense.

23 (b) Any person convicted on a second or subsequent cause, the
24 sale having transpired after prosecution and conviction on the first
25 cause, of subsection (1) of this section shall receive a mandatory
26 sentence of five years in a correctional facility of the department
27 of social and health services and no judge of any court shall suspend
28 or defer the sentence imposed for the second or subsequent violation
29 of subsection (1) of this section.

30 (3)(a) Any person convicted of a violation of subsection (1) of
31 this section by selling heroin shall receive a mandatory sentence of
32 two years in a correctional facility of the department of social and
33 health services and no judge of any court shall suspend or defer the
34 sentence imposed for such violation.

35 (b) Any person convicted on a second or subsequent sale of
36 heroin, the sale having transpired after prosecution and conviction
37 on the first cause of the sale of heroin shall receive a mandatory
38 sentence of ten years in a correctional facility of the department of
39 social and health services and no judge of any court shall suspend or

1 defer the sentence imposed for this second or subsequent violation:
2 PROVIDED, That the indeterminate sentence review board under RCW
3 9.95.040 shall not reduce the minimum term imposed for a violation
4 under this subsection.

5 (4) Whether or not a mandatory minimum term has expired, an
6 offender serving a sentence under this section may be granted an
7 extraordinary medical placement when authorized under RCW
8 9.94A.728(~~((4))~~) (1)(c).

9 (5) In addition to the sentences provided in subsection (2) of
10 this section, any person convicted of a violation of subsection (1)
11 of this section shall be fined in an amount calculated to at least
12 eliminate any and all proceeds or profits directly or indirectly
13 gained by such person as a result of sales of controlled substances
14 in violation of the laws of this or other states, or the United
15 States, up to the amount of five hundred thousand dollars on each
16 count.

17 (6) Any person, addicted to the use of controlled substances, who
18 voluntarily applies to the department of social and health services
19 for the purpose of participating in a rehabilitation program approved
20 by the department for addicts of controlled substances shall be
21 immune from prosecution for subsection (1) offenses unless a filing
22 of an information or indictment against such person for a violation
23 of subsection (1) of this section is made prior to his or her
24 voluntary participation in the program of the department of social
25 and health services. All applications for immunity under this section
26 shall be sent to the department of social and health services in
27 Olympia. It shall be the duty of the department to stamp each
28 application received pursuant to this section with the date and time
29 of receipt.

30 (7) This section shall not apply to offenses defined and
31 punishable under the provisions of RCW 69.50.401 through 69.50.4015.

32 **Sec. 88.** RCW 69.50.412 and 2019 c 64 s 22 are each amended to
33 read as follows:

34 (1) It is unlawful for any person to use drug paraphernalia to
35 plant, propagate, cultivate, grow, harvest, manufacture, compound,
36 convert, produce, process, prepare, test, analyze, pack, repack,
37 store, contain, conceal, inject, ingest, inhale, or otherwise
38 introduce into the human body a controlled substance other than

1 ((~~marijuana~~)) cannabis. Any person who violates this subsection is
2 guilty of a misdemeanor.

3 (2) It is unlawful for any person to deliver, possess with intent
4 to deliver, or manufacture with intent to deliver drug paraphernalia,
5 knowing, or under circumstances where one reasonably should know,
6 that it will be used to plant, propagate, cultivate, grow, harvest,
7 manufacture, compound, convert, produce, process, prepare, test,
8 analyze, pack, repack, store, contain, conceal, inject, ingest,
9 inhale, or otherwise introduce into the human body a controlled
10 substance other than ((~~marijuana~~)) cannabis. Any person who violates
11 this subsection is guilty of a misdemeanor.

12 (3) Any person eighteen years of age or over who violates
13 subsection (2) of this section by delivering drug paraphernalia to a
14 person under eighteen years of age who is at least three years his or
15 her junior is guilty of a gross misdemeanor.

16 (4) It is unlawful for any person to place in any newspaper,
17 magazine, handbill, or other publication any advertisement, knowing,
18 or under circumstances where one reasonably should know, that the
19 purpose of the advertisement, in whole or in part, is to promote the
20 sale of objects designed or intended for use as drug paraphernalia.
21 Any person who violates this subsection is guilty of a misdemeanor.

22 (5) It is lawful for any person over the age of eighteen to
23 possess sterile hypodermic syringes and needles for the purpose of
24 reducing blood-borne diseases.

25 **Sec. 89.** RCW 69.50.4121 and 2013 c 3 s 23 are each amended to
26 read as follows:

27 (1) Every person who sells or gives, or permits to be sold or
28 given to any person any drug paraphernalia in any form commits a
29 class I civil infraction under chapter 7.80 RCW. For purposes of this
30 subsection, "drug paraphernalia" means all equipment, products, and
31 materials of any kind which are used, intended for use, or designed
32 for use in planting, propagating, cultivating, growing, harvesting,
33 manufacturing, compounding, converting, producing, processing,
34 preparing, testing, analyzing, packaging, repackaging, storing,
35 containing, concealing, injecting, ingesting, inhaling, or otherwise
36 introducing into the human body a controlled substance other than
37 ((~~marijuana~~)) cannabis. Drug paraphernalia includes, but is not
38 limited to objects used, intended for use, or designed for use in

1 ingesting, inhaling, or otherwise introducing cocaine into the human
2 body, such as:

3 (a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic
4 pipes with or without screens, permanent screens, hashish heads, or
5 punctured metal bowls;

6 (b) Water pipes;

7 (c) Carburetion tubes and devices;

8 (d) Smoking and carburetion masks;

9 (e) Miniature cocaine spoons and cocaine vials;

10 (f) Chamber pipes;

11 (g) Carburetor pipes;

12 (h) Electric pipes;

13 (i) Air-driven pipes; and

14 (j) Ice pipes or chillers.

15 (2) It shall be no defense to a prosecution for a violation of
16 this section that the person acted, or was believed by the defendant
17 to act, as agent or representative of another.

18 (3) Nothing in subsection (1) of this section prohibits legal
19 distribution of injection syringe equipment through public health and
20 community based HIV prevention programs, and pharmacies.

21 **Sec. 90.** RCW 69.50.435 and 2015 c 265 s 37 are each amended to
22 read as follows:

23 (1) Any person who violates RCW 69.50.401 by manufacturing,
24 selling, delivering, or possessing with the intent to manufacture,
25 sell, or deliver a controlled substance listed under RCW 69.50.401 or
26 who violates RCW 69.50.410 by selling for profit any controlled
27 substance or counterfeit substance classified in schedule I, RCW
28 69.50.204, except leaves and flowering tops of (~~marihuana~~) cannabis
29 to a person:

30 (a) In a school;

31 (b) On a school bus;

32 (c) Within one thousand feet of a school bus route stop
33 designated by the school district;

34 (d) Within one thousand feet of the perimeter of the school
35 grounds;

36 (e) In a public park;

37 (f) In a public housing project designated by a local governing
38 authority as a drug-free zone;

39 (g) On a public transit vehicle;

1 (h) In a public transit stop shelter;

2 (i) At a civic center designated as a drug-free zone by the local
3 governing authority; or

4 (j) Within one thousand feet of the perimeter of a facility
5 designated under (i) of this subsection, if the local governing
6 authority specifically designates the one thousand foot perimeter may
7 be punished by a fine of up to twice the fine otherwise authorized by
8 this chapter, but not including twice the fine authorized by RCW
9 69.50.406, or by imprisonment of up to twice the imprisonment
10 otherwise authorized by this chapter, but not including twice the
11 imprisonment authorized by RCW 69.50.406, or by both such fine and
12 imprisonment. The provisions of this section shall not operate to
13 more than double the fine or imprisonment otherwise authorized by
14 this chapter for an offense.

15 (2) It is not a defense to a prosecution for a violation of this
16 section that the person was unaware that the prohibited conduct took
17 place while in a school or school bus or within one thousand feet of
18 the school or school bus route stop, in a public park, in a public
19 housing project designated by a local governing authority as a drug-
20 free zone, on a public transit vehicle, in a public transit stop
21 shelter, at a civic center designated as a drug-free zone by the
22 local governing authority, or within one thousand feet of the
23 perimeter of a facility designated under subsection (1)(i) of this
24 section, if the local governing authority specifically designates the
25 one thousand foot perimeter.

26 (3) It is not a defense to a prosecution for a violation of this
27 section or any other prosecution under this chapter that persons
28 under the age of eighteen were not present in the school, the school
29 bus, the public park, the public housing project designated by a
30 local governing authority as a drug-free zone, or the public transit
31 vehicle, or at the school bus route stop, the public transit vehicle
32 stop shelter, at a civic center designated as a drug-free zone by the
33 local governing authority, or within one thousand feet of the
34 perimeter of a facility designated under subsection (1)(i) of this
35 section, if the local governing authority specifically designates the
36 one thousand foot perimeter at the time of the offense or that school
37 was not in session.

38 (4) It is an affirmative defense to a prosecution for a violation
39 of this section that the prohibited conduct took place entirely
40 within a private residence, that no person under eighteen years of

1 age or younger was present in such private residence at any time
2 during the commission of the offense, and that the prohibited conduct
3 did not involve delivering, manufacturing, selling, or possessing
4 with the intent to manufacture, sell, or deliver any controlled
5 substance in RCW 69.50.401 for profit. The affirmative defense
6 established in this section shall be proved by the defendant by a
7 preponderance of the evidence. This section shall not be construed to
8 establish an affirmative defense with respect to a prosecution for an
9 offense defined in any other section of this chapter.

10 (5) In a prosecution under this section, a map produced or
11 reproduced by any municipality, school district, county, transit
12 authority engineer, or public housing authority for the purpose of
13 depicting the location and boundaries of the area on or within one
14 thousand feet of any property used for a school, school bus route
15 stop, public park, public housing project designated by a local
16 governing authority as a drug-free zone, public transit vehicle stop
17 shelter, or a civic center designated as a drug-free zone by a local
18 governing authority, or a true copy of such a map, shall under proper
19 authentication, be admissible and shall constitute prima facie
20 evidence of the location and boundaries of those areas if the
21 governing body of the municipality, school district, county, or
22 transit authority has adopted a resolution or ordinance approving the
23 map as the official location and record of the location and
24 boundaries of the area on or within one thousand feet of the school,
25 school bus route stop, public park, public housing project designated
26 by a local governing authority as a drug-free zone, public transit
27 vehicle stop shelter, or civic center designated as a drug-free zone
28 by a local governing authority. Any map approved under this section
29 or a true copy of the map shall be filed with the clerk of the
30 municipality or county, and shall be maintained as an official record
31 of the municipality or county. This section shall not be construed as
32 precluding the prosecution from introducing or relying upon any other
33 evidence or testimony to establish any element of the offense. This
34 section shall not be construed as precluding the use or admissibility
35 of any map or diagram other than the one which has been approved by
36 the governing body of a municipality, school district, county,
37 transit authority, or public housing authority if the map or diagram
38 is otherwise admissible under court rule.

39 (6) As used in this section the following terms have the meanings
40 indicated unless the context clearly requires otherwise:

1 (a) "School" has the meaning under RCW 28A.150.010 or
2 28A.150.020. The term "school" also includes a private school
3 approved under RCW 28A.195.010;

4 (b) "School bus" means a school bus as defined by the
5 superintendent of public instruction by rule which is owned and
6 operated by any school district and all school buses which are
7 privately owned and operated under contract or otherwise with any
8 school district in the state for the transportation of students. The
9 term does not include buses operated by common carriers in the urban
10 transportation of students such as transportation of students through
11 a municipal transportation system;

12 (c) "School bus route stop" means a school bus stop as designated
13 by a school district;

14 (d) "Public park" means land, including any facilities or
15 improvements on the land, that is operated as a park by the state or
16 a local government;

17 (e) "Public transit vehicle" means any motor vehicle, streetcar,
18 train, trolley vehicle, or any other device, vessel, or vehicle which
19 is owned or operated by a transit authority and which is used for the
20 purpose of carrying passengers on a regular schedule;

21 (f) "Transit authority" means a city, county, or state
22 transportation system, transportation authority, public
23 transportation benefit area, public transit authority, or
24 metropolitan municipal corporation within the state that operates
25 public transit vehicles;

26 (g) "Stop shelter" means a passenger shelter designated by a
27 transit authority;

28 (h) "Civic center" means a publicly owned or publicly operated
29 place or facility used for recreational, educational, or cultural
30 activities;

31 (i) "Public housing project" means the same as "housing project"
32 as defined in RCW 35.82.020.

33 (7) The fines imposed by this section apply to adult offenders
34 only.

35 **Sec. 91.** RCW 69.50.445 and 2015 2nd sp.s. c 4 s 401 are each
36 amended to read as follows:

37 (1) It is unlawful to open a package containing ((marijuana))
38 cannabis, useable ((marijuana, —marijuana-infused)) cannabis,
39 cannabis-infused products, or ((marijuana)) cannabis concentrates, or

1 consume ((~~marijuana~~)) cannabis, useable ((~~marijuana, marijuana-~~
2 ~~infused~~)) cannabis, cannabis-infused products, or ((~~marijuana~~))
3 cannabis concentrates, in view of the general public or in a public
4 place.

5 (2) For the purposes of this section, "public place" has the same
6 meaning as defined in RCW 66.04.010, but the exclusions in RCW
7 66.04.011 do not apply.

8 (3) A person who violates this section is guilty of a class 3
9 civil infraction under chapter 7.80 RCW.

10 **Sec. 92.** RCW 69.50.450 and 2015 c 70 s 15 are each amended to
11 read as follows:

12 (1) Nothing in this chapter permits anyone other than a validly
13 licensed ((~~marijuana~~)) cannabis processor to use butane or other
14 explosive gases to extract or separate resin from ((~~marijuana~~))
15 cannabis or to produce or process any form of ((~~marijuana~~)) cannabis
16 concentrates or ((~~marijuana-infused~~)) cannabis-infused products that
17 include ((~~marijuana~~)) cannabis concentrates not purchased from a
18 validly licensed ((~~marijuana~~)) cannabis retailer as an ingredient.
19 The extraction or separation of resin from ((~~marijuana~~)) cannabis,
20 the processing of ((~~marijuana~~)) cannabis concentrates, and the
21 processing of ((~~marijuana-infused~~)) cannabis-infused products that
22 include ((~~marijuana~~)) cannabis concentrates not purchased from a
23 validly licensed ((~~marijuana~~)) cannabis retailer as an ingredient by
24 any person other than a validly licensed ((~~marijuana~~)) cannabis
25 processor each constitute manufacture of ((~~marijuana~~)) cannabis in
26 violation of RCW 69.50.401. Cooking oil, butter, and other
27 nonexplosive home cooking substances may be used to make
28 ((~~marijuana~~)) cannabis extracts for noncommercial personal use.

29 (2) Except for the use of butane, the ((~~state liquor and~~
30 ~~cannabis~~)) board may not enforce this section until it has adopted
31 the rules required by RCW 69.51A.270.

32 **Sec. 93.** RCW 69.50.465 and 2015 2nd sp.s. c 4 s 1401 are each
33 amended to read as follows:

34 (1) It is unlawful for any person to conduct or maintain a
35 ((~~marijuana~~)) cannabis club by himself or herself or by associating
36 with others, or in any manner aid, assist, or abet in conducting or
37 maintaining a ((~~marijuana~~)) cannabis club.

1 (2) It is unlawful for any person to conduct or maintain a public
2 place where ((~~marijuana~~)) cannabis is held or stored, except as
3 provided for a licensee under this chapter, or consumption of
4 ((~~marijuana~~)) cannabis is permitted.

5 (3) Any person who violates this section is guilty of a class C
6 felony punishable under chapter 9A.20 RCW.

7 (4) The following definitions apply throughout this section
8 unless the context clearly requires otherwise.

9 (a) ((~~"Marijuana"~~)) "Cannabis club" means a club, association, or
10 other business, for profit or otherwise, that conducts or maintains a
11 premises for the primary or incidental purpose of providing a
12 location where members or other persons may keep or consume
13 ((~~marijuana~~)) cannabis on the premises.

14 (b) "Public place" means, in addition to the definition provided
15 in RCW 66.04.010, any place to which admission is charged or for
16 which any pecuniary gain is realized by the owner or operator of such
17 place.

18 **Sec. 94.** RCW 69.50.475 and 2019 c 379 s 1 are each amended to
19 read as follows:

20 (1) Except as otherwise authorized in this chapter and as
21 provided in subsection (2) of this section, an employee of a retail
22 outlet who sells ((~~marijuana~~)) cannabis products to a person under
23 the age of twenty-one years in the course of his or her employment is
24 guilty of a gross misdemeanor.

25 (2) An employee of a retail outlet may be prosecuted under RCW
26 69.50.401 or 69.50.406 or any other applicable provision, if the
27 employee sells ((~~marijuana~~)) cannabis products to a person the
28 employee knows is under the age of twenty-one and not otherwise
29 authorized to purchase ((~~marijuana~~)) cannabis products under this
30 chapter, or if the employee sells or otherwise provides ((~~marijuana~~))
31 cannabis products to a person under the age of twenty-one outside of
32 the course of his or her employment.

33 **Sec. 95.** RCW 69.50.505 and 2013 c 3 s 25 are each amended to
34 read as follows:

35 (1) The following are subject to seizure and forfeiture and no
36 property right exists in them:

37 (a) All controlled substances which have been manufactured,
38 distributed, dispensed, acquired, or possessed in violation of this

1 chapter or chapter 69.41 or 69.52 RCW, and all hazardous chemicals,
2 as defined in RCW 64.44.010, used or intended to be used in the
3 manufacture of controlled substances;

4 (b) All raw materials, products, and equipment of any kind which
5 are used, or intended for use, in manufacturing, compounding,
6 processing, delivering, importing, or exporting any controlled
7 substance in violation of this chapter or chapter 69.41 or 69.52 RCW;

8 (c) All property which is used, or intended for use, as a
9 container for property described in (a) or (b) of this subsection;

10 (d) All conveyances, including aircraft, vehicles, or vessels,
11 which are used, or intended for use, in any manner to facilitate the
12 sale, delivery, or receipt of property described in (a) or (b) of
13 this subsection, except that:

14 (i) No conveyance used by any person as a common carrier in the
15 transaction of business as a common carrier is subject to forfeiture
16 under this section unless it appears that the owner or other person
17 in charge of the conveyance is a consenting party or privy to a
18 violation of this chapter or chapter 69.41 or 69.52 RCW;

19 (ii) No conveyance is subject to forfeiture under this section by
20 reason of any act or omission established by the owner thereof to
21 have been committed or omitted without the owner's knowledge or
22 consent;

23 (iii) No conveyance is subject to forfeiture under this section
24 if used in the receipt of only an amount of (~~marijuana~~) cannabis
25 for which possession constitutes a misdemeanor under RCW 69.50.4014;

26 (iv) A forfeiture of a conveyance encumbered by a bona fide
27 security interest is subject to the interest of the secured party if
28 the secured party neither had knowledge of nor consented to the act
29 or omission; and

30 (v) When the owner of a conveyance has been arrested under this
31 chapter or chapter 69.41 or 69.52 RCW the conveyance in which the
32 person is arrested may not be subject to forfeiture unless it is
33 seized or process is issued for its seizure within ten days of the
34 owner's arrest;

35 (e) All books, records, and research products and materials,
36 including formulas, microfilm, tapes, and data which are used, or
37 intended for use, in violation of this chapter or chapter 69.41 or
38 69.52 RCW;

1 (f) All drug paraphernalia((21)) other than paraphernalia
2 possessed, sold, or used solely to facilitate ((marijuana-related))
3 cannabis-related activities that are not violations of this chapter;

4 (g) All moneys, negotiable instruments, securities, or other
5 tangible or intangible property of value furnished or intended to be
6 furnished by any person in exchange for a controlled substance in
7 violation of this chapter or chapter 69.41 or 69.52 RCW, all tangible
8 or intangible personal property, proceeds, or assets acquired in
9 whole or in part with proceeds traceable to an exchange or series of
10 exchanges in violation of this chapter or chapter 69.41 or 69.52 RCW,
11 and all moneys, negotiable instruments, and securities used or
12 intended to be used to facilitate any violation of this chapter or
13 chapter 69.41 or 69.52 RCW. A forfeiture of money, negotiable
14 instruments, securities, or other tangible or intangible property
15 encumbered by a bona fide security interest is subject to the
16 interest of the secured party if, at the time the security interest
17 was created, the secured party neither had knowledge of nor consented
18 to the act or omission. No personal property may be forfeited under
19 this subsection (1)(g), to the extent of the interest of an owner, by
20 reason of any act or omission which that owner establishes was
21 committed or omitted without the owner's knowledge or consent; and

22 (h) All real property, including any right, title, and interest
23 in the whole of any lot or tract of land, and any appurtenances or
24 improvements which are being used with the knowledge of the owner for
25 the manufacturing, compounding, processing, delivery, importing, or
26 exporting of any controlled substance, or which have been acquired in
27 whole or in part with proceeds traceable to an exchange or series of
28 exchanges in violation of this chapter or chapter 69.41 or 69.52 RCW,
29 if such activity is not less than a class C felony and a substantial
30 nexus exists between the commercial production or sale of the
31 controlled substance and the real property. However:

32 (i) No property may be forfeited pursuant to this subsection
33 (1)(h), to the extent of the interest of an owner, by reason of any
34 act or omission committed or omitted without the owner's knowledge or
35 consent;

36 (ii) The bona fide gift of a controlled substance, legend drug,
37 or imitation controlled substance shall not result in the forfeiture
38 of real property;

39 (iii) The possession of ((marijuana)) cannabis shall not result
40 in the forfeiture of real property unless the ((marijuana)) cannabis

1 is possessed for commercial purposes that are unlawful under
2 Washington state law, the amount possessed is five or more plants or
3 one pound or more of ((~~marijuana~~)) cannabis, and a substantial nexus
4 exists between the possession of ((~~marijuana~~)) cannabis and the real
5 property. In such a case, the intent of the offender shall be
6 determined by the preponderance of the evidence, including the
7 offender's prior criminal history, the amount of ((~~marijuana~~))
8 cannabis possessed by the offender, the sophistication of the
9 activity or equipment used by the offender, whether the offender was
10 licensed to produce, process, or sell ((~~marijuana~~)) cannabis, or was
11 an employee of a licensed producer, processor, or retailer, and other
12 evidence which demonstrates the offender's intent to engage in
13 unlawful commercial activity;

14 (iv) The unlawful sale of ((~~marijuana~~)) cannabis or a legend drug
15 shall not result in the forfeiture of real property unless the sale
16 was forty grams or more in the case of ((~~marijuana~~)) cannabis or one
17 hundred dollars or more in the case of a legend drug, and a
18 substantial nexus exists between the unlawful sale and the real
19 property; and

20 (v) A forfeiture of real property encumbered by a bona fide
21 security interest is subject to the interest of the secured party if
22 the secured party, at the time the security interest was created,
23 neither had knowledge of nor consented to the act or omission.

24 (2) Real or personal property subject to forfeiture under this
25 chapter may be seized by any ((~~board~~)) commission inspector or law
26 enforcement officer of this state upon process issued by any superior
27 court having jurisdiction over the property. Seizure of real property
28 shall include the filing of a lis pendens by the seizing agency. Real
29 property seized under this section shall not be transferred or
30 otherwise conveyed until ninety days after seizure or until a
31 judgment of forfeiture is entered, whichever is later: PROVIDED, That
32 real property seized under this section may be transferred or
33 conveyed to any person or entity who acquires title by foreclosure or
34 deed in lieu of foreclosure of a security interest. Seizure of
35 personal property without process may be made if:

36 (a) The seizure is incident to an arrest or a search under a
37 search warrant or an inspection under an administrative inspection
38 warrant;

1 (b) The property subject to seizure has been the subject of a
2 prior judgment in favor of the state in a criminal injunction or
3 forfeiture proceeding based upon this chapter;

4 (c) A (~~board~~) commission inspector or law enforcement officer
5 has probable cause to believe that the property is directly or
6 indirectly dangerous to health or safety; or

7 (d) The (~~board~~) commission inspector or law enforcement officer
8 has probable cause to believe that the property was used or is
9 intended to be used in violation of this chapter.

10 (3) In the event of seizure pursuant to subsection (2) of this
11 section, proceedings for forfeiture shall be deemed commenced by the
12 seizure. The law enforcement agency under whose authority the seizure
13 was made shall cause notice to be served within fifteen days
14 following the seizure on the owner of the property seized and the
15 person in charge thereof and any person having any known right or
16 interest therein, including any community property interest, of the
17 seizure and intended forfeiture of the seized property. Service of
18 notice of seizure of real property shall be made according to the
19 rules of civil procedure. However, the state may not obtain a default
20 judgment with respect to real property against a party who is served
21 by substituted service absent an affidavit stating that a good faith
22 effort has been made to ascertain if the defaulted party is
23 incarcerated within the state, and that there is no present basis to
24 believe that the party is incarcerated within the state. Notice of
25 seizure in the case of property subject to a security interest that
26 has been perfected by filing a financing statement in accordance with
27 chapter 62A.9A RCW, or a certificate of title, shall be made by
28 service upon the secured party or the secured party's assignee at the
29 address shown on the financing statement or the certificate of title.
30 The notice of seizure in other cases may be served by any method
31 authorized by law or court rule including but not limited to service
32 by certified mail with return receipt requested. Service by mail
33 shall be deemed complete upon mailing within the fifteen day period
34 following the seizure.

35 (4) If no person notifies the seizing law enforcement agency in
36 writing of the person's claim of ownership or right to possession of
37 items specified in subsection (1)(d), (g), or (h) of this section
38 within forty-five days of the service of notice from the seizing
39 agency in the case of personal property and ninety days in the case
40 of real property, the item seized shall be deemed forfeited. The

1 community property interest in real property of a person whose spouse
2 or domestic partner committed a violation giving rise to seizure of
3 the real property may not be forfeited if the person did not
4 participate in the violation.

5 (5) If any person notifies the seizing law enforcement agency in
6 writing of the person's claim of ownership or right to possession of
7 items specified in subsection (1)(b), (c), (d), (e), (f), (g), or (h)
8 of this section within forty-five days of the service of notice from
9 the seizing agency in the case of personal property and ninety days
10 in the case of real property, the person or persons shall be afforded
11 a reasonable opportunity to be heard as to the claim or right. The
12 notice of claim may be served by any method authorized by law or
13 court rule including, but not limited to, service by first-class
14 mail. Service by mail shall be deemed complete upon mailing within
15 the forty-five day period following service of the notice of seizure
16 in the case of personal property and within the ninety-day period
17 following service of the notice of seizure in the case of real
18 property. The hearing shall be before the chief law enforcement
19 officer of the seizing agency or the chief law enforcement officer's
20 designee, except where the seizing agency is a state agency as
21 defined in RCW 34.12.020(4), the hearing shall be before the chief
22 law enforcement officer of the seizing agency or an administrative
23 law judge appointed under chapter 34.12 RCW, except that any person
24 asserting a claim or right may remove the matter to a court of
25 competent jurisdiction. Removal of any matter involving personal
26 property may only be accomplished according to the rules of civil
27 procedure. The person seeking removal of the matter must serve
28 process against the state, county, political subdivision, or
29 municipality that operates the seizing agency, and any other party of
30 interest, in accordance with RCW 4.28.080 or 4.92.020, within forty-
31 five days after the person seeking removal has notified the seizing
32 law enforcement agency of the person's claim of ownership or right to
33 possession. The court to which the matter is to be removed shall be
34 the district court when the aggregate value of personal property is
35 within the jurisdictional limit set forth in RCW 3.66.020. A hearing
36 before the seizing agency and any appeal therefrom shall be under
37 Title 34 RCW. In all cases, the burden of proof is upon the law
38 enforcement agency to establish, by a preponderance of the evidence,
39 that the property is subject to forfeiture.

1 The seizing law enforcement agency shall promptly return the
2 article or articles to the claimant upon a determination by the
3 administrative law judge or court that the claimant is the present
4 lawful owner or is lawfully entitled to possession thereof of items
5 specified in subsection (1)(b), (c), (d), (e), (f), (g), or (h) of
6 this section.

7 (6) In any proceeding to forfeit property under this title, where
8 the claimant substantially prevails, the claimant is entitled to
9 reasonable attorneys' fees reasonably incurred by the claimant. In
10 addition, in a court hearing between two or more claimants to the
11 article or articles involved, the prevailing party is entitled to a
12 judgment for costs and reasonable attorneys' fees.

13 (7) When property is forfeited under this chapter the (~~board~~)
14 commission or seizing law enforcement agency may:

15 (a) Retain it for official use or upon application by any law
16 enforcement agency of this state release such property to such agency
17 for the exclusive use of enforcing the provisions of this chapter;

18 (b) Sell that which is not required to be destroyed by law and
19 which is not harmful to the public;

20 (c) Request the appropriate sheriff or director of public safety
21 to take custody of the property and remove it for disposition in
22 accordance with law; or

23 (d) Forward it to the drug enforcement administration for
24 disposition.

25 (8)(a) When property is forfeited, the seizing agency shall keep
26 a record indicating the identity of the prior owner, if known, a
27 description of the property, the disposition of the property, the
28 value of the property at the time of seizure, and the amount of
29 proceeds realized from disposition of the property.

30 (b) Each seizing agency shall retain records of forfeited
31 property for at least seven years.

32 (c) Each seizing agency shall file a report including a copy of
33 the records of forfeited property with the state treasurer each
34 calendar quarter.

35 (d) The quarterly report need not include a record of forfeited
36 property that is still being held for use as evidence during the
37 investigation or prosecution of a case or during the appeal from a
38 conviction.

39 (9)(a) By January 31st of each year, each seizing agency shall
40 remit to the state treasurer an amount equal to ten percent of the

1 net proceeds of any property forfeited during the preceding calendar
2 year. Money remitted shall be deposited in the state general fund.

3 (b) The net proceeds of forfeited property is the value of the
4 forfeitable interest in the property after deducting the cost of
5 satisfying any bona fide security interest to which the property is
6 subject at the time of seizure; and in the case of sold property,
7 after deducting the cost of sale, including reasonable fees or
8 commissions paid to independent selling agents, and the cost of any
9 valid landlord's claim for damages under subsection (15) of this
10 section.

11 (c) The value of sold forfeited property is the sale price. The
12 value of retained forfeited property is the fair market value of the
13 property at the time of seizure, determined when possible by
14 reference to an applicable commonly used index, such as the index
15 used by the department of licensing for valuation of motor vehicles.
16 A seizing agency may use, but need not use, an independent qualified
17 appraiser to determine the value of retained property. If an
18 appraiser is used, the value of the property appraised is net of the
19 cost of the appraisal. The value of destroyed property and retained
20 firearms or illegal property is zero.

21 (10) Forfeited property and net proceeds not required to be paid
22 to the state treasurer shall be retained by the seizing law
23 enforcement agency exclusively for the expansion and improvement of
24 controlled substances related law enforcement activity. Money
25 retained under this section may not be used to supplant preexisting
26 funding sources.

27 (11) Controlled substances listed in Schedule I, II, III, IV, and
28 V that are possessed, transferred, sold, or offered for sale in
29 violation of this chapter are contraband and shall be seized and
30 summarily forfeited to the state. Controlled substances listed in
31 Schedule I, II, III, IV, and V, which are seized or come into the
32 possession of the ((~~board~~)) commission, the owners of which are
33 unknown, are contraband and shall be summarily forfeited to the
34 ((~~board~~)) commission.

35 (12) Species of plants from which controlled substances in
36 Schedules I and II may be derived which have been planted or
37 cultivated in violation of this chapter, or of which the owners or
38 cultivators are unknown, or which are wild growths, may be seized and
39 summarily forfeited to the ((~~board~~)) commission.

1 (13) The failure, upon demand by a (~~board~~) commission inspector
2 or law enforcement officer, of the person in occupancy or in control
3 of land or premises upon which the species of plants are growing or
4 being stored to produce an appropriate registration or proof that he
5 or she is the holder thereof constitutes authority for the seizure
6 and forfeiture of the plants.

7 (14) Upon the entry of an order of forfeiture of real property,
8 the court shall forward a copy of the order to the assessor of the
9 county in which the property is located. Orders for the forfeiture of
10 real property shall be entered by the superior court, subject to
11 court rules. Such an order shall be filed by the seizing agency in
12 the county auditor's records in the county in which the real property
13 is located.

14 (15)(a) A landlord may assert a claim against proceeds from the
15 sale of assets seized and forfeited under subsection (7)(b) of this
16 section, only if:

17 (i) A law enforcement officer, while acting in his or her
18 official capacity, directly caused damage to the complaining
19 landlord's property while executing a search of a tenant's residence;
20 and

21 (ii) The landlord has applied any funds remaining in the tenant's
22 deposit, to which the landlord has a right under chapter 59.18 RCW,
23 to cover the damage directly caused by a law enforcement officer
24 prior to asserting a claim under the provisions of this section;

25 (A) Only if the funds applied under (a)(ii) of this subsection
26 are insufficient to satisfy the damage directly caused by a law
27 enforcement officer, may the landlord seek compensation for the
28 damage by filing a claim against the governmental entity under whose
29 authority the law enforcement agency operates within thirty days
30 after the search;

31 (B) Only if the governmental entity denies or fails to respond to
32 the landlord's claim within sixty days of the date of filing, may the
33 landlord collect damages under this subsection by filing within
34 thirty days of denial or the expiration of the sixty-day period,
35 whichever occurs first, a claim with the seizing law enforcement
36 agency. The seizing law enforcement agency must notify the landlord
37 of the status of the claim by the end of the thirty-day period.
38 Nothing in this section requires the claim to be paid by the end of
39 the sixty-day or thirty-day period.

1 (b) For any claim filed under (a) (ii) of this subsection, the law
2 enforcement agency shall pay the claim unless the agency provides
3 substantial proof that the landlord either:

4 (i) Knew or consented to actions of the tenant in violation of
5 this chapter or chapter 69.41 or 69.52 RCW; or

6 (ii) Failed to respond to a notification of the illegal activity,
7 provided by a law enforcement agency under RCW 59.18.075, within
8 seven days of receipt of notification of the illegal activity.

9 (16) The landlord's claim for damages under subsection (15) of
10 this section may not include a claim for loss of business and is
11 limited to:

12 (a) Damage to tangible property and clean-up costs;

13 (b) The lesser of the cost of repair or fair market value of the
14 damage directly caused by a law enforcement officer;

15 (c) The proceeds from the sale of the specific tenant's property
16 seized and forfeited under subsection (7) (b) of this section; and

17 (d) The proceeds available after the seizing law enforcement
18 agency satisfies any bona fide security interest in the tenant's
19 property and costs related to sale of the tenant's property as
20 provided by subsection (9) (b) of this section.

21 (17) Subsections (15) and (16) of this section do not limit any
22 other rights a landlord may have against a tenant to collect for
23 damages. However, if a law enforcement agency satisfies a landlord's
24 claim under subsection (15) of this section, the rights the landlord
25 has against the tenant for damages directly caused by a law
26 enforcement officer under the terms of the landlord and tenant's
27 contract are subrogated to the law enforcement agency.

28 **Sec. 96.** RCW 69.50.515 and 2013 c 133 s 1 are each amended to
29 read as follows:

30 (1) Upon finding one ounce or less of (~~marijuana~~) cannabis
31 inadvertently left at a retail store holding a pharmacy license, the
32 store manager or employee must promptly notify the local law
33 enforcement agency. After notification to the local law enforcement
34 agency, the store manager or employee must properly dispose of the
35 (~~marijuana~~) cannabis.

36 (2) For the purposes of this section, "properly dispose" means
37 ensuring that the product is destroyed or rendered incapable of use
38 by another person.

1 **Sec. 97.** RCW 69.50.530 and 2018 c 299 s 909 are each amended to
2 read as follows:

3 The dedicated (~~(marijuana)~~) cannabis account is created in the
4 state treasury. All moneys received by the (~~(state liquor and~~
5 ~~eannabis)~~) board, or any employee thereof, from (~~(marijuana-related)~~)
6 cannabis-related activities must be deposited in the account. Unless
7 otherwise provided in chapter 4, Laws of 2015 2nd sp. sess., all
8 (~~(marijuana)~~) cannabis excise taxes collected from sales of
9 (~~(marijuana)~~) cannabis, useable (~~(marijuana, marijuana)~~) cannabis,
10 cannabis concentrates, and (~~(marijuana-infused)~~) cannabis-infused
11 products under RCW 69.50.535, and the license fees, penalties, and
12 forfeitures derived under this chapter from (~~(marijuana)~~) cannabis
13 producer, (~~(marijuana)~~) cannabis processor, (~~(marijuana)~~) cannabis
14 researcher, and (~~(marijuana)~~) cannabis retailer licenses, must be
15 deposited in the account. Moneys in the account may only be spent
16 after appropriation. During the 2015-2017 and 2017-2019 fiscal
17 biennia, the legislature may transfer from the dedicated
18 (~~(marijuana)~~) cannabis account to the basic health plan trust account
19 such amounts as reflect the excess fund balance of the account.

20 **Sec. 98.** RCW 69.50.535 and 2015 2nd sp.s. c 4 s 205 are each
21 amended to read as follows:

22 (1)(a) There is levied and collected a (~~(marijuana)~~) cannabis
23 excise tax equal to thirty-seven percent of the selling price on each
24 retail sale in this state of (~~(marijuana)~~) cannabis concentrates,
25 useable (~~(marijuana, and marijuana-infused)~~) cannabis, and cannabis-
26 infused products. This tax is separate and in addition to general
27 state and local sales and use taxes that apply to retail sales of
28 tangible personal property, and is not part of the total retail price
29 to which general state and local sales and use taxes apply. The tax
30 must be separately itemized from the state and local retail sales tax
31 on the sales receipt provided to the buyer.

32 (b) The tax levied in this section must be reflected in the price
33 list or quoted shelf price in the licensed (~~(marijuana)~~) cannabis
34 retail store and in any advertising that includes prices for all
35 useable (~~(marijuana, marijuana)~~) cannabis, cannabis concentrates, or
36 (~~(marijuana-infused)~~) cannabis-infused products.

37 (2) All revenues collected from the (~~(marijuana)~~) cannabis excise
38 tax imposed under this section must be deposited each day in the
39 dedicated (~~(marijuana)~~) cannabis account.

1 (3) The tax imposed in this section must be paid by the buyer to
2 the seller. Each seller must collect from the buyer the full amount
3 of the tax payable on each taxable sale. The tax collected as
4 required by this section is deemed to be held in trust by the seller
5 until paid to the board. If any seller fails to collect the tax
6 imposed in this section or, having collected the tax, fails to pay it
7 as prescribed by the board, whether such failure is the result of the
8 seller's own acts or the result of acts or conditions beyond the
9 seller's control, the seller is, nevertheless, personally liable to
10 the state for the amount of the tax.

11 (4) The definitions in this subsection apply throughout this
12 section unless the context clearly requires otherwise.

13 (a) "Board" means the state liquor and cannabis board.

14 (b) "Retail sale" has the same meaning as in RCW 82.08.010.

15 (c) "Selling price" has the same meaning as in RCW 82.08.010,
16 except that when product is sold under circumstances where the total
17 amount of consideration paid for the product is not indicative of its
18 true value, "selling price" means the true value of the product sold.

19 (d) "Product" means (~~(marijuana, marijuana)~~) cannabis, cannabis
20 concentrates, useable (~~((marijuana, and marijuana-infused))~~) cannabis,
21 and cannabis-infused products.

22 (e) "True value" means market value based on sales at comparable
23 locations in this state of the same or similar product of like
24 quality and character sold under comparable conditions of sale to
25 comparable purchasers. However, in the absence of such sales of the
26 same or similar product, true value means the value of the product
27 sold as determined by all of the seller's direct and indirect costs
28 attributable to the product.

29 (5)(a) The board must regularly review the tax level established
30 under this section and make recommendations, in consultation with the
31 department of revenue, to the legislature as appropriate regarding
32 adjustments that would further the goal of discouraging use while
33 undercutting illegal market prices.

34 (b) The (~~(state liquor and cannabis)~~) board must report, in
35 compliance with RCW 43.01.036, to the appropriate committees of the
36 legislature every two years. The report at a minimum must include the
37 following:

38 (i) The specific recommendations required under (a) of this
39 subsection;

1 (ii) A comparison of gross sales and tax collections prior to and
2 after any ((~~marijuana~~)) cannabis tax change;

3 (iii) The increase or decrease in the volume of legal
4 ((~~marijuana~~)) cannabis sold prior to and after any ((~~marijuana~~))
5 cannabis tax change;

6 (iv) Increases or decreases in the number of licensed
7 ((~~marijuana~~)) cannabis producers, processors, and retailers;

8 (v) The number of illegal and noncompliant ((~~marijuana~~)) cannabis
9 outlets the board requires to be closed;

10 (vi) Gross ((~~marijuana~~)) cannabis sales and tax collections in
11 Oregon; and

12 (vii) The total amount of reported sales and use taxes exempted
13 for qualifying patients. The department of revenue must provide the
14 data of exempt amounts to the board.

15 (c) The board is not required to report to the legislature as
16 required in (b) of this subsection after January 1, 2025.

17 (6) The legislature does not intend and does not authorize any
18 person or entity to engage in activities or to conspire to engage in
19 activities that would constitute per se violations of state and
20 federal antitrust laws including, but not limited to, agreements
21 among retailers as to the selling price of any goods sold.

22 **Sec. 99.** RCW 69.50.540 and 2020 c 357 s 916 and 2020 c 236 s 4
23 are each reenacted and amended to read as follows:

24 The legislature must annually appropriate moneys in the dedicated
25 ((~~marijuana~~)) cannabis account created in RCW 69.50.530 as follows:

26 (1) For the purposes listed in this subsection (1), the
27 legislature must appropriate to the respective agencies amounts
28 sufficient to make the following expenditures on a quarterly basis or
29 as provided in this subsection:

30 (a) One hundred twenty-five thousand dollars to the health care
31 authority to design and administer the Washington state healthy youth
32 survey, analyze the collected data, and produce reports, in
33 collaboration with the office of the superintendent of public
34 instruction, department of health, department of commerce, family
35 policy council, and board. The survey must be conducted at least
36 every two years and include questions regarding, but not necessarily
37 limited to, academic achievement, age at time of substance use
38 initiation, antisocial behavior of friends, attitudes toward
39 antisocial behavior, attitudes toward substance use, laws and

1 community norms regarding antisocial behavior, family conflict,
2 family management, parental attitudes toward substance use, peer
3 rewarding of antisocial behavior, perceived risk of substance use,
4 and rebelliousness. Funds disbursed under this subsection may be used
5 to expand administration of the healthy youth survey to student
6 populations attending institutions of higher education in Washington;

7 (b) Fifty thousand dollars to the health care authority for the
8 purpose of contracting with the Washington state institute for public
9 policy to conduct the cost-benefit evaluation and produce the reports
10 described in RCW 69.50.550. This appropriation ends after production
11 of the final report required by RCW 69.50.550;

12 (c) Five thousand dollars to the University of Washington alcohol
13 and drug abuse institute for the creation, maintenance, and timely
14 updating of web-based public education materials providing medically
15 and scientifically accurate information about the health and safety
16 risks posed by ((~~marijuana~~)) cannabis use;

17 (d) (i) An amount not less than one million two hundred fifty
18 thousand dollars to the board for administration of this chapter as
19 appropriated in the omnibus appropriations act;

20 (ii) One million three hundred twenty-three thousand dollars for
21 fiscal year 2020 to the health professions account established under
22 RCW 43.70.320 for the development and administration of the
23 ((~~marijuana~~)) cannabis authorization database by the department of
24 health;

25 (iii) Two million four hundred fifty-three thousand dollars for
26 fiscal year 2020 and two million seven hundred ninety-three thousand
27 dollars for fiscal year 2021 to the Washington state patrol for a
28 drug enforcement task force. It is the intent of the legislature that
29 this policy will be continued in the 2021-2023 fiscal biennium; and

30 (iv) Ninety-eight thousand dollars for fiscal year 2019 to the
31 department of ecology for research on accreditation of ((~~marijuana~~))
32 cannabis product testing laboratories;

33 (e) Four hundred sixty-five thousand dollars for fiscal year 2020
34 and four hundred sixty-four thousand dollars for fiscal year 2021 to
35 the department of ecology for implementation of accreditation of
36 ((~~marijuana~~)) cannabis product testing laboratories;

37 (f) One hundred eighty-nine thousand dollars for fiscal year 2020
38 to the department of health for rule making regarding compassionate
39 care renewals;

1 (g) Eight hundred eight thousand dollars for fiscal year 2020 and
2 eight hundred eight thousand dollars for fiscal year 2021 to the
3 department of health for the administration of the ((~~marijuana~~))
4 cannabis authorization database;

5 (h) Six hundred thirty-five thousand dollars for fiscal year 2020
6 and six hundred thirty-five thousand dollars for fiscal year 2021 to
7 the department of agriculture for compliance-based laboratory
8 analysis of pesticides in ((~~marijuana~~)) cannabis;

9 (i) One million one hundred thousand dollars annually to the
10 department of commerce to fund the ((~~marijuana~~)) cannabis social
11 equity technical assistance competitive grant program under RCW
12 43.330.540; and

13 (j) One million one hundred thousand dollars for fiscal year 2021
14 to the department of commerce to fund the ((~~marijuana~~)) cannabis
15 social equity technical assistance competitive grant program under
16 ((~~Engrossed Second Substitute House Bill No. 2870 (marijuana retail~~
17 ~~licenses~~))) RCW 43.330.540; and

18 (2) From the amounts in the dedicated ((~~marijuana~~)) cannabis
19 account after appropriation of the amounts identified in subsection
20 (1) of this section, the legislature must appropriate for the
21 purposes listed in this subsection (2) as follows:

22 (a)(i) Up to fifteen percent to the health care authority for the
23 development, implementation, maintenance, and evaluation of programs
24 and practices aimed at the prevention or reduction of maladaptive
25 substance use, substance use disorder, substance abuse or substance
26 dependence, as these terms are defined in the Diagnostic and
27 Statistical Manual of Mental Disorders, among middle school and high
28 school-age students, whether as an explicit goal of a given program
29 or practice or as a consistently corresponding effect of its
30 implementation, mental health services for children and youth, and
31 services for pregnant and parenting women; PROVIDED, That:

32 (A) Of the funds appropriated under (a)(i) of this subsection for
33 new programs and new services, at least eighty-five percent must be
34 directed to evidence-based or research-based programs and practices
35 that produce objectively measurable results and, by September 1,
36 2020, are cost-beneficial; and

37 (B) Up to fifteen percent of the funds appropriated under (a)(i)
38 of this subsection for new programs and new services may be directed
39 to proven and tested practices, emerging best practices, or promising
40 practices.

1 (ii) In deciding which programs and practices to fund, the
2 director of the health care authority must consult, at least
3 annually, with the University of Washington's social development
4 research group and the University of Washington's alcohol and drug
5 abuse institute.

6 (iii) For each fiscal year, the legislature must appropriate a
7 minimum of twenty-five million five hundred thirty-six thousand
8 dollars under this subsection (2)(a);

9 (b)(i) Up to ten percent to the department of health for the
10 following, subject to (b)(ii) of this subsection (2):

11 (A) Creation, implementation, operation, and management of a
12 ((~~marijuana~~)) cannabis education and public health program that
13 contains the following:

14 (I) A ((~~marijuana~~)) cannabis use public health hotline that
15 provides referrals to substance abuse treatment providers, utilizes
16 evidence-based or research-based public health approaches to
17 minimizing the harms associated with ((~~marijuana~~)) cannabis use, and
18 does not solely advocate an abstinence-only approach;

19 (II) A grants program for local health departments or other local
20 community agencies that supports development and implementation of
21 coordinated intervention strategies for the prevention and reduction
22 of ((~~marijuana~~)) cannabis use by youth; and

23 (III) Media-based education campaigns across television,
24 internet, radio, print, and out-of-home advertising, separately
25 targeting youth and adults, that provide medically and scientifically
26 accurate information about the health and safety risks posed by
27 ((~~marijuana~~)) cannabis use; and

28 (B) The Washington poison control center.

29 (ii) For each fiscal year, the legislature must appropriate a
30 minimum of nine million seven hundred fifty thousand dollars under
31 this subsection (2)(b);

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

38 (ii) For each fiscal year, except for the 2017-2019 and 2019-2021
39 fiscal biennia, the legislature must appropriate a minimum of one
40 million twenty-one thousand dollars to the University of Washington.

1 For each fiscal year, except for the 2017-2019 and 2019-2021 fiscal
2 biennia, the legislature must appropriate a minimum of six hundred
3 eighty-one thousand dollars to Washington State University under this
4 subsection (2)(c). It is the intent of the legislature that this
5 policy will be continued in the 2019-2021 fiscal biennium;

6 (d) Fifty percent to the state basic health plan trust account to
7 be administered by the Washington basic health plan administrator and
8 used as provided under chapter 70.47 RCW;

9 (e) Five percent to the Washington state health care authority to
10 be expended exclusively through contracts with community health
11 centers to provide primary health and dental care services, migrant
12 health services, and maternity health care services as provided under
13 RCW 41.05.220;

14 (f)(i) Up to three-tenths of one percent to the office of the
15 superintendent of public instruction to fund grants to building
16 bridges programs under chapter 28A.175 RCW.

17 (ii) For each fiscal year, the legislature must appropriate a
18 minimum of five hundred eleven thousand dollars to the office of the
19 superintendent of public instruction under this subsection (2)(f);
20 and

21 (g) At the end of each fiscal year, the treasurer must transfer
22 any amounts in the dedicated (~~(marijuana)~~) cannabis account that are
23 not appropriated pursuant to subsection (1) of this section and this
24 subsection (2) into the general fund, except as provided in (g)(i) of
25 this subsection (2).

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

33 (A) Thirty percent must be distributed to counties, cities, and
34 towns where licensed (~~(marijuana)~~) cannabis retailers are physically
35 located. Each jurisdiction must receive a share of the revenue
36 distribution under this subsection (2)(g)(i)(A) based on the
37 proportional share of the total revenues generated in the individual
38 jurisdiction from the taxes collected under RCW 69.50.535, from
39 licensed (~~(marijuana)~~) cannabis retailers physically located in each
40 jurisdiction. For purposes of this subsection (2)(g)(i)(A), one

1 hundred percent of the proportional amount attributed to a retailer
2 physically located in a city or town must be distributed to the city
3 or town.

4 (B) Seventy percent must be distributed to counties, cities, and
5 towns ratably on a per capita basis. Counties must receive sixty
6 percent of the distribution, which must be disbursed based on each
7 county's total proportional population. Funds may only be distributed
8 to jurisdictions that do not prohibit the siting of any state
9 licensed (~~(marijuana)~~) cannabis producer, processor, or retailer.

10 (ii) Distribution amounts allocated to each county, city, and
11 town must be distributed in four installments by the last day of each
12 fiscal quarter.

13 (iii) By September 15th of each year, the board must provide the
14 state treasurer the annual distribution amount, if any, for each
15 county and city as determined in (g)(i) of this subsection (2).

16 (iv) The total share of (~~(marijuana)~~) cannabis excise tax
17 revenues distributed to counties and cities in (g)(i) of this
18 subsection (2) may not exceed fifteen million dollars in fiscal years
19 2018, 2019, 2020, and 2021, and twenty million dollars per fiscal
20 year thereafter. It is the intent of the legislature that the policy
21 for the maximum distributions in the subsequent fiscal biennia will
22 be no more than fifteen million dollars per fiscal year.

23 **Sec. 100.** RCW 69.50.550 and 2013 c 3 s 30 are each amended to
24 read as follows:

25 (1) The Washington state institute for public policy shall
26 conduct cost-benefit evaluations of the implementation of chapter 3,
27 Laws of 2013. A preliminary report, and recommendations to
28 appropriate committees of the legislature, shall be made by September
29 1, 2015, and the first final report with recommendations by September
30 1, 2017. Subsequent reports shall be due September 1, 2022, and
31 September 1, 2032.

32 (2) The evaluation of the implementation of chapter 3, Laws of
33 2013 shall include, but not necessarily be limited to, consideration
34 of the following factors:

35 (a) Public health, to include but not be limited to:

36 (i) Health costs associated with (~~(marijuana)~~) cannabis use;

37 (ii) Health costs associated with criminal prohibition of
38 (~~(marijuana)~~) cannabis, including lack of product safety or quality

1 control regulations and the relegation of (~~marijuana~~) cannabis to
2 the same illegal market as potentially more dangerous substances; and
3 (iii) The impact of increased investment in the research,
4 evaluation, education, prevention and intervention programs,
5 practices, and campaigns identified in RCW 69.50.363 on rates of
6 (~~marijuana-related~~) cannabis-related maladaptive substance use and
7 diagnosis of (~~marijuana-related~~) cannabis-related substance use
8 disorder, substance abuse, or substance dependence, as these terms
9 are defined in the Diagnostic and Statistical Manual of Mental
10 Disorders;

11 (b) Public safety, to include but not be limited to:

12 (i) Public safety issues relating to (~~marijuana~~) cannabis use;
13 and

14 (ii) Public safety issues relating to criminal prohibition of
15 (~~marijuana~~) cannabis;

16 (c) Youth and adult rates of the following:

17 (i) (~~Marijuana~~) Cannabis use;

18 (ii) Maladaptive use of (~~marijuana~~) cannabis; and

19 (iii) Diagnosis of (~~marijuana-related~~) cannabis-related
20 substance use disorder, substance abuse, or substance dependence,
21 including primary, secondary, and tertiary choices of substance;

22 (d) Economic impacts in the private and public sectors, including
23 but not limited to:

24 (i) Jobs creation;

25 (ii) Workplace safety;

26 (iii) Revenues; and

27 (iv) Taxes generated for state and local budgets;

28 (e) Criminal justice impacts, to include but not be limited to:

29 (i) Use of public resources like law enforcement officers and
30 equipment, prosecuting attorneys and public defenders, judges and
31 court staff, the Washington state patrol crime lab and identification
32 and criminal history section, jails and prisons, and misdemeanor and
33 felon supervision officers to enforce state criminal laws regarding
34 (~~marijuana~~) cannabis; and

35 (ii) Short and long-term consequences of involvement in the
36 criminal justice system for persons accused of crimes relating to
37 (~~marijuana~~) cannabis, their families, and their communities; and

38 (f) State and local agency administrative costs and revenues.

1 **Sec. 101.** RCW 69.50.555 and 2015 c 207 s 3 are each amended to
2 read as follows:

3 The taxes, fees, assessments, and other charges imposed by this
4 chapter do not apply to commercial activities related to the
5 production, processing, sale, and possession of ~~((marijuana))~~
6 cannabis, useable ~~((marijuana,—marijuana))~~ cannabis, cannabis
7 concentrates, and ~~((marijuana-infused))~~ cannabis-infused products
8 covered by an agreement entered into under RCW 43.06.490.

9 **Sec. 102.** RCW 69.50.560 and 2015 c 70 s 33 are each amended to
10 read as follows:

11 (1) The ~~((state—liquor—and—cannabis))~~ board may conduct
12 controlled purchase programs to determine whether:

13 (a) A ~~((marijuana))~~ cannabis retailer is unlawfully selling
14 ~~((marijuana))~~ cannabis to persons under the age of twenty-one;

15 (b) A ~~((marijuana))~~ cannabis retailer holding a medical
16 ~~((marijuana))~~ cannabis endorsement is selling to persons under the
17 age of eighteen or selling to persons between the ages of eighteen
18 and twenty-one who do not hold valid recognition cards; or

19 (c) ~~((Until July 1, 2016, collective gardens under RCW 69.51A.085~~
20 ~~are providing marijuana to persons under the age of twenty-one; or~~

21 ~~(d))~~ A cooperative organized under RCW 69.51A.250 is permitting
22 a person under the age of twenty-one to participate.

23 (2) Every person under the age of twenty-one years who purchases
24 or attempts to purchase ~~((marijuana))~~ cannabis is guilty of a
25 violation of this section. This section does not apply to:

26 (a) Persons between the ages of eighteen and twenty-one who hold
27 valid recognition cards and purchase ~~((marijuana))~~ cannabis at a
28 ~~((marijuana))~~ cannabis retail outlet holding a medical ~~((marijuana))~~
29 cannabis endorsement;

30 (b) Persons between the ages of eighteen and twenty-one years who
31 are participating in a controlled purchase program authorized by the
32 ~~((state—liquor—and—cannabis))~~ board under rules adopted by the board.
33 Violations occurring under a private, controlled purchase program
34 authorized by the ~~((state—liquor—and—cannabis))~~ board may not be used
35 for criminal or administrative prosecution.

36 (3) A ~~((marijuana))~~ cannabis retailer who conducts an in-house
37 controlled purchase program authorized under this section shall
38 provide his or her employees a written description of the employer's
39 in-house controlled purchase program. The written description must

1 include notice of actions an employer may take as a consequence of an
2 employee's failure to comply with company policies regarding the sale
3 of ((~~marijuana~~)) cannabis during an in-house controlled purchase
4 program.

5 (4) An in-house controlled purchase program authorized under this
6 section shall be for the purposes of employee training and employer
7 self-compliance checks. A ((~~marijuana~~)) cannabis retailer may not
8 terminate an employee solely for a first-time failure to comply with
9 company policies regarding the sale of ((~~marijuana~~)) cannabis during
10 an in-house controlled purchase program authorized under this
11 section.

12 (5) Every person between the ages of eighteen and twenty-one who
13 is convicted of a violation of this section is guilty of a
14 misdemeanor punishable as provided by RCW 9A.20.021.

15 **Sec. 103.** RCW 69.50.562 and 2019 c 394 s 6 are each amended to
16 read as follows:

17 (1) The board must prescribe procedures for the following:

18 (a) Issuance of written warnings or notices to correct in lieu of
19 penalties, sanctions, or other violations with respect to regulatory
20 violations that have no direct or immediate relationship to public
21 safety as defined by the board;

22 (b) Waiving any fines, civil penalties, or administrative
23 sanctions for violations, that have no direct or immediate
24 relationship to public safety, and are corrected by the licensee
25 within a reasonable amount of time as designated by the board; and

26 (c) A compliance program in accordance with chapter 43.05 RCW and
27 RCW 69.50.342, whereby licensees may request compliance assistance
28 and inspections without issuance of a penalty, sanction, or other
29 violation provided that any noncompliant issues are resolved within a
30 specified period of time.

31 (2) The board must adopt rules prescribing penalties for
32 violations of this chapter. The board:

33 (a) May establish escalating penalties for violation of this
34 chapter, provided that the cumulative effect of any such escalating
35 penalties cannot last beyond two years and the escalation applies
36 only to multiple violations that are the same or similar in nature;

37 (b) May not include cancellation of a license for a single
38 violation, unless the board can prove by a preponderance of the
39 evidence:

- 1 (i) Diversion of ((~~marijuana~~)) cannabis product to the illicit
2 market or sales across state lines;
- 3 (ii) Furnishing of ((~~marijuana~~)) cannabis product to minors;
- 4 (iii) Diversion of revenue to criminal enterprises, gangs,
5 cartels, or parties not qualified to hold a ((~~marijuana~~)) cannabis
6 license based on criminal history requirements;
- 7 (iv) The commission of ((~~nonmarijuana-related~~)) noncannabis-
8 related crimes; or
- 9 (v) Knowingly making a misrepresentation of fact to the board, an
10 officer of the board, or an employee of the board related to conduct
11 or an action that is, or alleged to be, any of the violations
12 identified in (b) (i) through ((~~(b)~~)) (iv) of this subsection (2);
- 13 (c) May include cancellation of a license for cumulative
14 violations only if a ((~~marijuana~~)) cannabis licensee commits at least
15 four violations within a two-year period of time;
- 16 (d) Must consider aggravating and mitigating circumstances and
17 deviate from the prescribed penalties accordingly, and must authorize
18 enforcement officers to do the same, provided that such penalty may
19 not exceed the maximum escalating penalty prescribed by the board for
20 that violation; and
- 21 (e) Must give substantial consideration to mitigating any penalty
22 imposed on a licensee when there is employee misconduct that led to
23 the violation and the licensee:
- 24 (i) Established a compliance program designed to prevent the
25 violation;
- 26 (ii) Performed meaningful training with employees designed to
27 prevent the violation; and
- 28 (iii) Had not enabled or ignored the violation or other similar
29 violations in the past.
- 30 (3) The board may not consider any violation that occurred more
31 than two years prior as grounds for denial, suspension, revocation,
32 cancellation, or nonrenewal, unless the board can prove by a
33 preponderance of the evidence that the prior administrative violation
34 evidences:
- 35 (a) Diversion of ((~~marijuana~~)) cannabis product to the illicit
36 market or sales across state lines;
- 37 (b) Furnishing of ((~~marijuana~~)) cannabis product to minors;
- 38 (c) Diversion of revenue to criminal enterprises, gangs, cartels,
39 or parties not qualified to hold a ((~~marijuana~~)) cannabis license
40 based on criminal history requirements;

1 (d) The commission of (~~nonmarijuana-related~~) noncannabis-
2 related crimes; or

3 (e) Knowingly making a misrepresentation of fact to the board, an
4 officer of the board, or an employee of the board related to conduct
5 or an action that is, or is alleged to be, any of the violations
6 identified in (a) through (d) of this subsection (3).

7 **Sec. 104.** RCW 69.50.563 and 2019 c 394 s 3 are each amended to
8 read as follows:

9 (1) The (~~liquor and cannabis~~) board may issue a civil penalty
10 without first issuing a notice of correction if:

11 (a) The licensee has previously been subject to an enforcement
12 action for the same or similar type of violation of the same statute
13 or rule or has been given previous notice of the same or similar type
14 of violation of the same statute or rule;

15 (b) Compliance is not achieved by the date established by the
16 (~~liquor and cannabis~~) board in a previously issued notice of
17 correction and if the board has responded to a request for review of
18 the date by reaffirming the original date or establishing a new date;
19 or

20 (c) The board can prove by a preponderance of the evidence:

21 (i) Diversion of (~~marijuana~~) cannabis product to the illicit
22 market or sales across state lines;

23 (ii) Furnishing of (~~marijuana~~) cannabis product to minors;

24 (iii) Diversion of revenue to criminal enterprises, gangs,
25 cartels, or parties not qualified to hold a (~~marijuana~~) cannabis
26 license based on criminal history requirements;

27 (iv) The commission of (~~nonmarijuana-related~~) noncannabis-
28 related crimes; or

29 (v) Knowingly making a misrepresentation of fact to the board, an
30 officer of the board, or an employee of the board related to conduct
31 or an action that is, or is alleged to be, any of the violations
32 identified in (c)(i) through (~~(e)~~)(iv) of this subsection (1).

33 (2) The (~~liquor and cannabis~~) board may adopt rules to
34 implement this section and RCW 43.05.160.

35 **Sec. 105.** RCW 69.50.564 and 2019 c 394 s 8 are each amended to
36 read as follows:

37 (1) This section applies to the board's issuance of
38 administrative violations to licensed (~~marijuana~~) cannabis

1 producers, processors, retailers, transporters, and researchers, when
2 a settlement conference is held between a hearing officer or designee
3 of the board and the ((~~marijuana~~)) cannabis licensee that received a
4 notice of an alleged administrative violation or violations.

5 (2) If a settlement agreement is entered between a ((~~marijuana~~))
6 cannabis licensee and a hearing officer or designee of the board at
7 or after a settlement conference, the terms of the settlement
8 agreement must be given substantial weight by the board.

9 (3) For the purposes of this section:

10 (a) "Settlement agreement" means the agreement or compromise
11 between a licensed ((~~marijuana~~)) cannabis producer, processor,
12 retailer, researcher, transporter, or researcher and the hearing
13 officer or designee of the board with authority to participate in the
14 settlement conference, that:

15 (i) Includes the terms of the agreement or compromise regarding
16 an alleged violation or violations by the licensee of this chapter,
17 chapter 69.51A RCW, or rules adopted under either chapter, and any
18 related penalty or licensing restriction; and

19 (ii) Is in writing and signed by the licensee and the hearing
20 officer or designee of the board.

21 (b) "Settlement conference" means a meeting or discussion between
22 a licensed ((~~marijuana~~)) cannabis producer, processor, retailer,
23 researcher, transporter, researcher, or authorized representative of
24 any of the preceding licensees, and a hearing officer or designee of
25 the board, held for purposes such as discussing the circumstances
26 surrounding an alleged violation of law or rules by the licensee, the
27 recommended penalty, and any aggravating or mitigating factors, and
28 that is intended to resolve the alleged violation before an
29 administrative hearing or judicial proceeding is initiated.

30 **Sec. 106.** RCW 69.50.570 and 2015 2nd sp.s. c 4 s 210 are each
31 amended to read as follows:

32 (1)(a) Except as provided in (b) of this subsection, a retail
33 sale of a bundled transaction that includes ((~~marijuana~~)) cannabis
34 product is subject to the tax imposed under RCW 69.50.535 on the
35 entire selling price of the bundled transaction.

36 (b) If the selling price is attributable to products that are
37 taxable and products that are not taxable under RCW 69.50.535, the
38 portion of the price attributable to the nontaxable products are
39 subject to the tax imposed by RCW 69.50.535 unless the seller can

1 identify by reasonable and verifiable standards the portion that is
2 not subject to tax from its books and records that are kept in the
3 regular course of business for other purposes including, but not
4 limited to, nontax purposes.

5 (2) The definitions in this subsection apply throughout this
6 section unless the context clearly requires otherwise.

7 (a) "Bundled transaction" means:

8 (i) The retail sale of two or more products where the products
9 are otherwise distinct and identifiable, are sold for one nonitemized
10 price, and at least one product is a (~~marijuana~~) cannabis product
11 subject to the tax under RCW 69.50.535; and

12 (ii) A (~~marijuana~~) cannabis product provided free of charge
13 with the required purchase of another product. A (~~marijuana~~)
14 cannabis product is provided free of charge if the sales price of the
15 product purchased does not vary depending on the inclusion of the
16 (~~marijuana~~) cannabis product provided free of charge.

17 (b) "Distinct and identifiable products" does not include
18 packaging such as containers, boxes, sacks, bags, and bottles, or
19 materials such as wrapping, labels, tags, and instruction guides,
20 that accompany the retail sale of the products and are incidental or
21 immaterial to the retail sale thereof. Examples of packaging that are
22 incidental or immaterial include grocery sacks, shoeboxes, and dry
23 cleaning garment bags.

24 (c) (~~"Marijuana~~) "Cannabis product" means "useable
25 (~~marijuana,~~ "~~"marijuana~~) cannabis," "cannabis concentrates," and
26 (~~"marijuana-infused~~) "cannabis-infused products" as defined in RCW
27 69.50.101.

28 (d) "Selling price" has the same meaning as in RCW 82.08.010,
29 except that when product is sold under circumstances where the total
30 amount of consideration paid for the product is not indicative of its
31 true value, "selling price" means the true value of the product sold.

32 (e) "True value" means market value based on sales at comparable
33 locations in this state of the same or similar product of like
34 quality and character sold under comparable conditions of sale to
35 comparable purchasers. However, in the absence of such sales of the
36 same or similar product, "true value" means the value of the product
37 sold as determined by all of the seller's direct and indirect costs
38 attributable to the product.

1 **Sec. 107.** RCW 69.50.575 and 2015 2nd sp.s. c 4 s 701 are each
2 amended to read as follows:

3 (1) Cannabis health and beauty aids are not subject to the
4 regulations and penalties of this chapter that apply to (~~marijuana,~~
5 ~~marijuana~~) cannabis, cannabis concentrates, or (~~marijuana-infused~~)
6 cannabis-infused products.

7 (2) For purposes of this section, "cannabis health and beauty
8 aid" means a product containing parts of the cannabis plant and
9 which:

10 (a) Is intended for use only as a topical application to provide
11 therapeutic benefit or to enhance appearance;

12 (b) Contains a THC concentration of not more than 0.3 percent;

13 (c) Does not cross the blood-brain barrier; and

14 (d) Is not intended for ingestion by humans or animals.

15 **Sec. 108.** RCW 69.50.580 and 2015 2nd sp.s. c 4 s 801 are each
16 amended to read as follows:

17 (1) Applicants for a (~~marijuana~~) cannabis producer's,
18 (~~marijuana~~) cannabis processor's, (~~marijuana~~) cannabis
19 researcher's or (~~marijuana~~) cannabis retailer's license under this
20 chapter must display a sign provided by the (~~state liquor and~~
21 ~~cannabis~~) board on the outside of the premises to be licensed
22 notifying the public that the premises are subject to an application
23 for such license. The sign must:

24 (a) Contain text with content sufficient to notify the public of
25 the nature of the pending license application, the date of the
26 application, the name of the applicant, and contact information for
27 the (~~state liquor and cannabis~~) board;

28 (b) Be conspicuously displayed on, or immediately adjacent to,
29 the premises subject to the application and in the location that is
30 most likely to be seen by the public;

31 (c) Be of a size sufficient to ensure that it will be readily
32 seen by the public; and

33 (d) Be posted within seven business days of the submission of the
34 application to the (~~state liquor and cannabis~~) board.

35 (2) The (~~state liquor and cannabis~~) board must adopt such rules
36 as are necessary for the implementation of this section, including
37 rules pertaining to the size of the sign and the text thereon, the
38 textual content of the sign, the fee for providing the sign, and any

1 other requirements necessary to ensure that the sign provides
2 adequate notice to the public.

3 (3) (a) A city, town, or county may adopt an ordinance requiring
4 individual notice by an applicant for a (~~marijuana~~) cannabis
5 producer's, (~~marijuana~~) cannabis processor's, (~~marijuana~~)
6 cannabis researcher's, or (~~marijuana~~) cannabis retailer's license
7 under this chapter, sixty days prior to issuance of the license, to
8 any elementary or secondary school, playground, recreation center or
9 facility, child care center, church, public park, public transit
10 center, library, or any game arcade admission to which is not
11 restricted to persons aged twenty-one years or older, that is within
12 one thousand feet of the perimeter of the grounds of the
13 establishment seeking licensure. The notice must provide the contact
14 information for the (~~liquor and cannabis~~) board where any of the
15 owners or operators of these entities may submit comments or concerns
16 about the proposed business location.

17 (b) For the purposes of this subsection, "church" means a
18 building erected for and used exclusively for religious worship and
19 schooling or other activity in connection therewith.

20 **Sec. 109.** RCW 69.51.020 and 1979 c 136 s 2 are each amended to
21 read as follows:

22 The legislature finds that recent research has shown that the use
23 of (~~marijuana~~) cannabis may alleviate the nausea and ill effects of
24 cancer chemotherapy and radiology, and, additionally, may alleviate
25 the ill effects of glaucoma. The legislature further finds that there
26 is a need for further research and experimentation regarding the use
27 of (~~marijuana~~) cannabis under strictly controlled circumstances. It
28 is for this purpose that the controlled substances therapeutic
29 research act is hereby enacted.

30 **Sec. 110.** RCW 69.51.030 and 2013 c 19 s 113 are each amended to
31 read as follows:

32 As used in this chapter:

- 33 (1) "Commission" means the pharmacy quality assurance commission;
34 (2) "Department" means the department of health;
35 (3) (~~"Marijuana"~~) "Cannabis" means all parts of the plant of
36 the genus Cannabis L., whether growing or not, the seeds thereof, the
37 resin extracted from any part of the plant, and every compound,

1 manufacture, salt, derivative, mixture, or preparation of the plant,
2 its seeds, or resin; and

3 (4) "Practitioner" means a physician licensed pursuant to chapter
4 18.71 or 18.57 RCW.

5 **Sec. 111.** RCW 69.51.060 and 2013 c 19 s 116 are each amended to
6 read as follows:

7 (1) The commission shall obtain ((~~marijuana~~)) cannabis through
8 whatever means it deems most appropriate and consistent with
9 regulations promulgated by the United States food and drug
10 administration, the drug enforcement agency, and the national
11 institute on drug abuse, and pursuant to the provisions of this
12 chapter.

13 (2) The commission may use ((~~marijuana~~)) cannabis which has been
14 confiscated by local or state law enforcement agencies and has been
15 determined to be free from contamination.

16 (3) The commission shall distribute the analyzed ((~~marijuana~~))
17 cannabis to approved practitioners and/or institutions in accordance
18 with rules promulgated by the commission.

19 **Sec. 112.** RCW 69.51A.005 and 2015 c 70 s 16 are each amended to
20 read as follows:

21 (1) The legislature finds that:

22 (a) There is medical evidence that some patients with terminal or
23 debilitating medical conditions may, under their health care
24 professional's care, benefit from the medical use of ((~~marijuana~~))
25 cannabis. Some of the conditions for which ((~~marijuana~~)) cannabis
26 appears to be beneficial include, but are not limited to:

27 (i) Nausea, vomiting, and cachexia associated with cancer, HIV-
28 positive status, AIDS, hepatitis C, anorexia, and their treatments;

29 (ii) Severe muscle spasms associated with multiple sclerosis,
30 epilepsy, and other seizure and spasticity disorders;

31 (iii) Acute or chronic glaucoma;

32 (iv) Crohn's disease; and

33 (v) Some forms of intractable pain.

34 (b) Humanitarian compassion necessitates that the decision to use
35 ((~~marijuana~~)) cannabis by patients with terminal or debilitating
36 medical conditions is a personal, individual decision, based upon
37 their health care professional's professional medical judgment and
38 discretion.

1 (2) Therefore, the legislature intends that, so long as such
2 activities are in strict compliance with this chapter:

3 (a) Qualifying patients with terminal or debilitating medical
4 conditions who, in the judgment of their health care professionals,
5 may benefit from the medical use of ~~((marijuana))~~ cannabis, shall not
6 be arrested, prosecuted, or subject to other criminal sanctions or
7 civil consequences under state law based solely on their medical use
8 of ~~((marijuana))~~ cannabis, notwithstanding any other provision of
9 law;

10 (b) Persons who act as designated providers to such patients
11 shall also not be arrested, prosecuted, or subject to other criminal
12 sanctions or civil consequences under state law, notwithstanding any
13 other provision of law, based solely on their assisting with the
14 medical use of ~~((marijuana))~~ cannabis; and

15 (c) Health care professionals shall also not be arrested,
16 prosecuted, or subject to other criminal sanctions or civil
17 consequences under state law for the proper authorization of medical
18 use of ~~((marijuana))~~ cannabis by qualifying patients for whom, in the
19 health care professional's professional judgment, the medical use of
20 ~~((marijuana))~~ cannabis may prove beneficial.

21 (3) Nothing in this chapter establishes the medical necessity or
22 medical appropriateness of ~~((marijuana))~~ cannabis for treating
23 terminal or debilitating medical conditions as defined in RCW
24 69.51A.010.

25 (4) Nothing in this chapter diminishes the authority of
26 correctional agencies and departments, including local governments or
27 jails, to establish a procedure for determining when the use of
28 ~~((marijuana))~~ cannabis would impact community safety or the effective
29 supervision of those on active supervision for a criminal conviction,
30 nor does it create the right to any accommodation of any medical use
31 of ~~((marijuana))~~ cannabis in any correctional facility or jail.

32 **Sec. 113.** RCW 69.51A.010 and 2015 c 70 s 17 are each reenacted
33 and amended to read as follows:

34 The definitions in this section apply throughout this chapter
35 unless the context clearly requires otherwise.

36 (1) (a) ~~((Until July 1, 2016, "authorization" means:~~
37 ~~(i) A statement signed and dated by a qualifying patient's health~~
38 ~~care professional written on tamper-resistant paper, which states~~

1 ~~that, in the health care professional's professional opinion, the~~
2 ~~patient may benefit from the medical use of marijuana; and~~

3 ~~(ii) Proof of identity such as a Washington state driver's~~
4 ~~license or identicard, as defined in RCW 46.20.035.~~

5 ~~(b) Beginning July 1, 2016, "authorization")~~ "Authorization"
6 means a form developed by the department that is completed and signed
7 by a qualifying patient's health care professional and printed on
8 tamper-resistant paper.

9 ~~((e))~~ (b) An authorization is not a prescription as defined in
10 RCW 69.50.101.

11 (2) "CBD concentration" means the percent of cannabidiol content
12 per dry weight of any part of the plant *Cannabis*, or per volume or
13 weight of ~~((marijuana))~~ cannabis product.

14 (3) "Department" means the department of health.

15 (4) "Designated provider" means a person who is twenty-one years
16 of age or older and:

17 (a) (i) Is the parent or guardian of a qualifying patient who is
18 under the age of eighteen and ~~((beginning July 1, 2016,))~~ holds a
19 recognition card; or

20 (ii) Has been designated in writing by a qualifying patient to
21 serve as the designated provider for that patient;

22 (b) (i) Has an authorization from the qualifying patient's health
23 care professional; or

24 (ii) ~~((Beginning July 1, 2016:))~~

25 (A) Has been entered into the medical ~~((marijuana))~~ cannabis
26 authorization database as being the designated provider to a
27 qualifying patient; and

28 (B) Has been provided a recognition card;

29 (c) Is prohibited from consuming ~~((marijuana))~~ cannabis obtained
30 for the personal, medical use of the qualifying patient for whom the
31 individual is acting as designated provider;

32 (d) Provides ~~((marijuana))~~ cannabis to only the qualifying
33 patient that has designated him or her;

34 (e) Is in compliance with the terms and conditions of this
35 chapter; and

36 (f) Is the designated provider to only one patient at any one
37 time.

38 (5) "Health care professional," for purposes of this chapter
39 only, means a physician licensed under chapter 18.71 RCW, a physician
40 assistant licensed under chapter 18.71A RCW, an osteopathic physician

1 licensed under chapter 18.57 RCW, an osteopathic physicians'
2 assistant licensed under chapter 18.57A RCW, a naturopath licensed
3 under chapter 18.36A RCW, or an advanced registered nurse
4 practitioner licensed under chapter 18.79 RCW.

5 (6) "Housing unit" means a house, an apartment, a mobile home, a
6 group of rooms, or a single room that is occupied as separate living
7 quarters, in which the occupants live and eat separately from any
8 other persons in the building, and which have direct access from the
9 outside of the building or through a common hall.

10 (7) "Low THC, high CBD" means products determined by the
11 department to have a low THC, high CBD ratio under RCW 69.50.375. Low
12 THC, high CBD products must be inhalable, ingestible, or absorbable.

13 (8) (~~"Marijuana"~~) "Cannabis" has the meaning provided in RCW
14 69.50.101.

15 (9) (~~"Marijuana"~~) "Cannabis concentrates" has the meaning
16 provided in RCW 69.50.101.

17 (10) (~~"Marijuana"~~) "Cannabis processor" has the meaning provided
18 in RCW 69.50.101.

19 (11) (~~"Marijuana"~~) "Cannabis producer" has the meaning provided
20 in RCW 69.50.101.

21 (12) (~~"Marijuana"~~) "Cannabis retailer" has the meaning provided
22 in RCW 69.50.101.

23 (13) (~~"Marijuana"~~) "Cannabis retailer with a medical
24 (~~marijuana~~) cannabis endorsement" means a (~~marijuana~~) cannabis
25 retailer that has been issued a medical (~~marijuana~~) cannabis
26 endorsement by the state liquor and cannabis board pursuant to RCW
27 69.50.375.

28 (14) (~~"Marijuana-infused"~~) "Cannabis-infused products" has the
29 meaning provided in RCW 69.50.101.

30 (15) "Medical (~~marijuana~~) cannabis authorization database"
31 means the secure and confidential database established in RCW
32 69.51A.230.

33 (16) "Medical use of (~~marijuana~~) cannabis" means the
34 manufacture, production, possession, transportation, delivery,
35 ingestion, application, or administration of (~~marijuana~~) cannabis
36 for the exclusive benefit of a qualifying patient in the treatment of
37 his or her terminal or debilitating medical condition.

38 (17) "Plant" means a (~~marijuana~~) cannabis plant having at least
39 three distinguishable and distinct leaves, each leaf being at least
40 three centimeters in diameter, and a readily observable root

1 formation consisting of at least two separate and distinct roots,
2 each being at least two centimeters in length. Multiple stalks
3 emanating from the same root ball or root system is considered part
4 of the same single plant.

5 (18) "Public place" has the meaning provided in RCW 70.160.020.

6 (19) "Qualifying patient" means a person who:

7 (a) (i) Is a patient of a health care professional;

8 (ii) Has been diagnosed by that health care professional as
9 having a terminal or debilitating medical condition;

10 (iii) Is a resident of the state of Washington at the time of
11 such diagnosis;

12 (iv) Has been advised by that health care professional about the
13 risks and benefits of the medical use of ((~~marijuana~~)) cannabis;

14 (v) Has been advised by that health care professional that they
15 may benefit from the medical use of ((~~marijuana~~)) cannabis;

16 (vi) (A) Has an authorization from his or her health care
17 professional; or

18 (B) ((~~Beginning July 1, 2016, has~~)) Has been entered into the
19 medical ((~~marijuana~~)) cannabis authorization database and has been
20 provided a recognition card; and

21 (vii) Is otherwise in compliance with the terms and conditions
22 established in this chapter.

23 (b) "Qualifying patient" does not include a person who is
24 actively being supervised for a criminal conviction by a corrections
25 agency or department that has determined that the terms of this
26 chapter are inconsistent with and contrary to his or her supervision
27 and all related processes and procedures related to that supervision.

28 (20) "Recognition card" means a card issued to qualifying
29 patients and designated providers by a ((~~marijuana~~)) cannabis
30 retailer with a medical ((~~marijuana~~)) cannabis endorsement that has
31 entered them into the medical ((~~marijuana~~)) cannabis authorization
32 database.

33 (21) "Retail outlet" has the meaning provided in RCW 69.50.101.

34 (22) "Secretary" means the secretary of the department of health.

35 (23) "Tamper-resistant paper" means paper that meets one or more
36 of the following industry-recognized features:

37 (a) One or more features designed to prevent copying of the
38 paper;

39 (b) One or more features designed to prevent the erasure or
40 modification of information on the paper; or

1 (c) One or more features designed to prevent the use of
2 counterfeit authorization.

3 (24) "Terminal or debilitating medical condition" means a
4 condition severe enough to significantly interfere with the patient's
5 activities of daily living and ability to function, which can be
6 objectively assessed and evaluated and limited to the following:

7 (a) Cancer, human immunodeficiency virus (HIV), multiple
8 sclerosis, epilepsy or other seizure disorder, or spasticity
9 disorders;

10 (b) Intractable pain, limited for the purpose of this chapter to
11 mean pain unrelieved by standard medical treatments and medications;

12 (c) Glaucoma, either acute or chronic, limited for the purpose of
13 this chapter to mean increased intraocular pressure unrelieved by
14 standard treatments and medications;

15 (d) Crohn's disease with debilitating symptoms unrelieved by
16 standard treatments or medications;

17 (e) Hepatitis C with debilitating nausea or intractable pain
18 unrelieved by standard treatments or medications;

19 (f) Diseases, including anorexia, which result in nausea,
20 vomiting, wasting, appetite loss, cramping, seizures, muscle spasms,
21 or spasticity, when these symptoms are unrelieved by standard
22 treatments or medications;

23 (g) Posttraumatic stress disorder; or

24 (h) Traumatic brain injury.

25 (25) "THC concentration" has the meaning provided in RCW
26 69.50.101.

27 (26) "Useable (~~marijuana~~) cannabis" has the meaning provided
28 in RCW 69.50.101.

29 **Sec. 114.** RCW 69.51A.010 and 2020 c 80 s 44 are each amended to
30 read as follows:

31 The definitions in this section apply throughout this chapter
32 unless the context clearly requires otherwise.

33 (1) (a) (~~Until July 1, 2016, "authorization" means:~~

34 ~~(i) A statement signed and dated by a qualifying patient's health~~
35 ~~care professional written on tamper-resistant paper, which states~~
36 ~~that, in the health care professional's professional opinion, the~~
37 ~~patient may benefit from the medical use of marijuana; and~~

38 ~~(ii) Proof of identity such as a Washington state driver's~~
39 ~~license or identicard, as defined in RCW 46.20.035.~~

1 ~~(b) Beginning July 1, 2016, "authorization"))~~ "Authorization"
2 means a form developed by the department that is completed and signed
3 by a qualifying patient's health care professional and printed on
4 tamper-resistant paper.

5 ~~((e))~~ (b) An authorization is not a prescription as defined in
6 RCW 69.50.101.

7 (2) "CBD concentration" means the percent of cannabidiol content
8 per dry weight of any part of the plant *Cannabis*, or per volume or
9 weight of ~~((marijuana))~~ cannabis product.

10 (3) "Department" means the department of health.

11 (4) "Designated provider" means a person who is twenty-one years
12 of age or older and:

13 (a) (i) Is the parent or guardian of a qualifying patient who is
14 under the age of eighteen and ~~((beginning July 1, 2016,))~~ holds a
15 recognition card; or

16 (ii) Has been designated in writing by a qualifying patient to
17 serve as the designated provider for that patient;

18 (b) (i) Has an authorization from the qualifying patient's health
19 care professional; or

20 (ii) ~~((Beginning July 1, 2016:))~~

21 (A) Has been entered into the medical ~~((marijuana))~~ cannabis
22 authorization database as being the designated provider to a
23 qualifying patient; and

24 (B) Has been provided a recognition card;

25 (c) Is prohibited from consuming ~~((marijuana))~~ cannabis obtained
26 for the personal, medical use of the qualifying patient for whom the
27 individual is acting as designated provider;

28 (d) Provides ~~((marijuana))~~ cannabis to only the qualifying
29 patient that has designated him or her;

30 (e) Is in compliance with the terms and conditions of this
31 chapter; and

32 (f) Is the designated provider to only one patient at any one
33 time.

34 (5) "Health care professional," for purposes of this chapter
35 only, means a physician licensed under chapter 18.71 RCW, a physician
36 assistant licensed under chapter 18.71A RCW, an osteopathic physician
37 licensed under chapter 18.57 RCW, a naturopath licensed under chapter
38 18.36A RCW, or an advanced registered nurse practitioner licensed
39 under chapter 18.79 RCW.

1 (6) "Housing unit" means a house, an apartment, a mobile home, a
2 group of rooms, or a single room that is occupied as separate living
3 quarters, in which the occupants live and eat separately from any
4 other persons in the building, and which have direct access from the
5 outside of the building or through a common hall.

6 (7) "Low THC, high CBD" means products determined by the
7 department to have a low THC, high CBD ratio under RCW 69.50.375. Low
8 THC, high CBD products must be inhalable, ingestible, or absorbable.

9 (8) (~~"Marijuana"~~) "Cannabis" has the meaning provided in RCW
10 69.50.101.

11 (9) (~~"Marijuana"~~) "Cannabis concentrates" has the meaning
12 provided in RCW 69.50.101.

13 (10) (~~"Marijuana"~~) "Cannabis processor" has the meaning provided
14 in RCW 69.50.101.

15 (11) (~~"Marijuana"~~) "Cannabis producer" has the meaning provided
16 in RCW 69.50.101.

17 (12) (~~"Marijuana"~~) "Cannabis retailer" has the meaning provided
18 in RCW 69.50.101.

19 (13) (~~"Marijuana"~~) "Cannabis retailer with a medical
20 (~~marijuana~~) cannabis endorsement" means a (~~marijuana~~) cannabis
21 retailer that has been issued a medical (~~marijuana~~) cannabis
22 endorsement by the state liquor and cannabis board pursuant to RCW
23 69.50.375.

24 (14) (~~"Marijuana-infused"~~) "Cannabis-infused products" has the
25 meaning provided in RCW 69.50.101.

26 (15) "Medical (~~marijuana~~) cannabis authorization database"
27 means the secure and confidential database established in RCW
28 69.51A.230.

29 (16) "Medical use of (~~marijuana~~) cannabis" means the
30 manufacture, production, possession, transportation, delivery,
31 ingestion, application, or administration of (~~marijuana~~) cannabis
32 for the exclusive benefit of a qualifying patient in the treatment of
33 his or her terminal or debilitating medical condition.

34 (17) "Plant" means a (~~marijuana~~) cannabis plant having at least
35 three distinguishable and distinct leaves, each leaf being at least
36 three centimeters in diameter, and a readily observable root
37 formation consisting of at least two separate and distinct roots,
38 each being at least two centimeters in length. Multiple stalks
39 emanating from the same root ball or root system is considered part
40 of the same single plant.

1 (18) "Public place" has the meaning provided in RCW 70.160.020.
2 (19) "Qualifying patient" means a person who:
3 (a) (i) Is a patient of a health care professional;
4 (ii) Has been diagnosed by that health care professional as
5 having a terminal or debilitating medical condition;
6 (iii) Is a resident of the state of Washington at the time of
7 such diagnosis;
8 (iv) Has been advised by that health care professional about the
9 risks and benefits of the medical use of ((~~marijuana~~)) cannabis;
10 (v) Has been advised by that health care professional that they
11 may benefit from the medical use of ((~~marijuana~~)) cannabis;
12 (vi) (A) Has an authorization from his or her health care
13 professional; or
14 (B) ((~~Beginning July 1, 2016, has~~)) Has been entered into the
15 medical ((~~marijuana~~)) cannabis authorization database and has been
16 provided a recognition card; and
17 (vii) Is otherwise in compliance with the terms and conditions
18 established in this chapter.
19 (b) "Qualifying patient" does not include a person who is
20 actively being supervised for a criminal conviction by a corrections
21 agency or department that has determined that the terms of this
22 chapter are inconsistent with and contrary to his or her supervision
23 and all related processes and procedures related to that supervision.
24 (20) "Recognition card" means a card issued to qualifying
25 patients and designated providers by a ((~~marijuana~~)) cannabis
26 retailer with a medical ((~~marijuana~~)) cannabis endorsement that has
27 entered them into the medical ((~~marijuana~~)) cannabis authorization
28 database.
29 (21) "Retail outlet" has the meaning provided in RCW 69.50.101.
30 (22) "Secretary" means the secretary of the department of health.
31 (23) "Tamper-resistant paper" means paper that meets one or more
32 of the following industry-recognized features:
33 (a) One or more features designed to prevent copying of the
34 paper;
35 (b) One or more features designed to prevent the erasure or
36 modification of information on the paper; or
37 (c) One or more features designed to prevent the use of
38 counterfeit authorization.
39 (24) "Terminal or debilitating medical condition" means a
40 condition severe enough to significantly interfere with the patient's

1 activities of daily living and ability to function, which can be
2 objectively assessed and evaluated and limited to the following:

3 (a) Cancer, human immunodeficiency virus (HIV), multiple
4 sclerosis, epilepsy or other seizure disorder, or spasticity
5 disorders;

6 (b) Intractable pain, limited for the purpose of this chapter to
7 mean pain unrelieved by standard medical treatments and medications;

8 (c) Glaucoma, either acute or chronic, limited for the purpose of
9 this chapter to mean increased intraocular pressure unrelieved by
10 standard treatments and medications;

11 (d) Crohn's disease with debilitating symptoms unrelieved by
12 standard treatments or medications;

13 (e) Hepatitis C with debilitating nausea or intractable pain
14 unrelieved by standard treatments or medications;

15 (f) Diseases, including anorexia, which result in nausea,
16 vomiting, wasting, appetite loss, cramping, seizures, muscle spasms,
17 or spasticity, when these symptoms are unrelieved by standard
18 treatments or medications;

19 (g) Posttraumatic stress disorder; or

20 (h) Traumatic brain injury.

21 (25) "THC concentration" has the meaning provided in RCW
22 69.50.101.

23 (26) "Useable (~~(marijuana)~~) cannabis" has the meaning provided
24 in RCW 69.50.101.

25 **Sec. 115.** RCW 69.51A.030 and 2019 c 203 s 1 are each amended to
26 read as follows:

27 (1) The following acts do not constitute crimes under state law
28 or unprofessional conduct under chapter 18.130 RCW, and a health care
29 professional may not be arrested, searched, prosecuted, disciplined,
30 or subject to other criminal sanctions or civil consequences or
31 liability under state law, or have real or personal property
32 searched, seized, or forfeited pursuant to state law, notwithstanding
33 any other provision of law as long as the health care professional
34 complies with subsection (2) of this section:

35 (a) Advising a patient about the risks and benefits of medical
36 use of (~~(marijuana)~~) cannabis or that the patient may benefit from
37 the medical use of (~~(marijuana)~~) cannabis; or

38 (b) Providing a patient or designated provider meeting the
39 criteria established under RCW 69.51A.010 with an authorization,

1 based upon the health care professional's assessment of the patient's
2 medical history and current medical condition, if the health care
3 professional has complied with this chapter and he or she determines
4 within a professional standard of care or in the individual health
5 care professional's medical judgment the qualifying patient may
6 benefit from the medical use of ((~~marijuana~~)) cannabis.

7 (2)(a) A health care professional may provide a qualifying
8 patient or that patient's designated provider with an authorization
9 for the medical use of ((~~marijuana~~)) cannabis in accordance with this
10 section.

11 (b) In order to authorize for the medical use of ((~~marijuana~~))
12 cannabis under (a) of this subsection, the health care professional
13 must:

14 (i) Have a documented relationship with the patient, as a
15 principal care provider or a specialist, relating to the diagnosis
16 and ongoing treatment or monitoring of the patient's terminal or
17 debilitating medical condition;

18 (ii) Complete an in-person physical examination of the patient or
19 a remote physical examination of the patient if one is determined to
20 be appropriate under (c)(iii) of this subsection;

21 (iii) Document the terminal or debilitating medical condition of
22 the patient in the patient's medical record and that the patient may
23 benefit from treatment of this condition or its symptoms with medical
24 use of ((~~marijuana~~)) cannabis;

25 (iv) Inform the patient of other options for treating the
26 terminal or debilitating medical condition and documenting in the
27 patient's medical record that the patient has received this
28 information;

29 (v) Document in the patient's medical record other measures
30 attempted to treat the terminal or debilitating medical condition
31 that do not involve the medical use of ((~~marijuana~~)) cannabis; and

32 (vi) Complete an authorization on forms developed by the
33 department, in accordance with subsection (3) of this section.

34 (c)(i) For a qualifying patient eighteen years of age or older,
35 an authorization expires one year after its issuance. For a
36 qualifying patient less than eighteen years of age, an authorization
37 expires six months after its issuance.

38 (ii) An authorization may be renewed upon completion of an in-
39 person physical examination or a remote physical examination of the
40 patient if one is determined to be appropriate under (c)(iii) of this

1 subsection and, in compliance with the other requirements of (b) of
2 this subsection.

3 (iii) Following an in-person physical examination to authorize
4 the use of ((~~marijuana~~)) cannabis for medical purposes, the health
5 care professional may determine and note in the patient's medical
6 record that subsequent physical examinations for the purposes of
7 renewing an authorization may occur through the use of telemedicine
8 technology if the health care professional determines that requiring
9 the qualifying patient to attend a physical examination in person to
10 renew an authorization would likely result in severe hardship to the
11 qualifying patient because of the qualifying patient's physical or
12 emotional condition.

13 (iv) When renewing a qualifying patient's authorization for the
14 medical use of ((~~marijuana on or after July 28, 2019~~)) cannabis, the
15 health care professional may indicate that the qualifying patient
16 qualifies for a compassionate care renewal of his or her registration
17 in the medical ((~~marijuana~~)) cannabis authorization database and
18 recognition card if the health care professional determines that
19 requiring the qualifying patient to renew a registration in person
20 would likely result in severe hardship to the qualifying patient
21 because of the qualifying patient's physical or emotional condition.
22 A compassionate care renewal of a qualifying patient's registration
23 and recognition card allows the qualifying patient to receive
24 renewals without the need to be physically present at a retailer and
25 without the requirement to have a photograph taken.

26 (d) A health care professional shall not:

27 (i) Accept, solicit, or offer any form of pecuniary remuneration
28 from or to a ((~~marijuana~~)) cannabis retailer, ((~~marijuana~~)) cannabis
29 processor, or ((~~marijuana~~)) cannabis producer;

30 (ii) Offer a discount or any other thing of value to a qualifying
31 patient who is a customer of, or agrees to be a customer of, a
32 particular ((~~marijuana~~)) cannabis retailer;

33 (iii) Examine or offer to examine a patient for purposes of
34 diagnosing a terminal or debilitating medical condition at a location
35 where ((~~marijuana~~)) cannabis is produced, processed, or sold;

36 (iv) Have a business or practice which consists primarily of
37 authorizing the medical use of ((~~marijuana~~)) cannabis or authorize
38 the medical use of ((~~marijuana~~)) cannabis at any location other than
39 his or her practice's permanent physical location;

1 (v) Except as provided in RCW 69.51A.280, sell, or provide at no
2 charge, ((~~marijuana~~)) cannabis concentrates, ((~~marijuana-infused~~))
3 cannabis-infused products, or useable ((~~marijuana~~)) cannabis to a
4 qualifying patient or designated provider; or

5 (vi) Hold an economic interest in an enterprise that produces,
6 processes, or sells ((~~marijuana~~)) cannabis if the health care
7 professional authorizes the medical use of ((~~marijuana~~)) cannabis.

8 (3) The department shall develop the form for the health care
9 professional to use as an authorization for qualifying patients and
10 designated providers. The form shall include the qualifying patient's
11 or designated provider's name, address, and date of birth; the health
12 care professional's name, address, and license number; the amount of
13 ((~~marijuana~~)) cannabis recommended for the qualifying patient; a
14 telephone number where the authorization can be verified during
15 normal business hours; the dates of issuance and expiration; and a
16 statement that an authorization does not provide protection from
17 arrest unless the qualifying patient or designated provider is also
18 entered in the medical ((~~marijuana~~)) cannabis authorization database
19 and holds a recognition card.

20 (4) The appropriate health professions disciplining authority may
21 inspect or request patient records to confirm compliance with this
22 section. The health care professional must provide access to or
23 produce documents, records, or other items that are within his or her
24 possession or control within twenty-one calendar days of service of a
25 request by the health professions disciplining authority. If the
26 twenty-one calendar day limit results in a hardship upon the health
27 care professional, he or she may request, for good cause, an
28 extension not to exceed thirty additional calendar days. Failure to
29 produce the documents, records, or other items shall result in
30 citations and fines issued consistent with RCW 18.130.230. Failure to
31 otherwise comply with the requirements of this section shall be
32 considered unprofessional conduct and subject to sanctions under
33 chapter 18.130 RCW.

34 (5) After a health care professional authorizes a qualifying
35 patient for the medical use of ((~~marijuana~~)) cannabis, he or she may
36 discuss with the qualifying patient how to use ((~~marijuana~~)) cannabis
37 and the types of products the qualifying patient should seek from a
38 retail outlet.

1 **Sec. 116.** RCW 69.51A.040 and 2015 c 70 s 24 are each amended to
2 read as follows:

3 The medical use of (~~marijuana~~) cannabis in accordance with the
4 terms and conditions of this chapter does not constitute a crime and
5 a qualifying patient or designated provider in compliance with the
6 terms and conditions of this chapter may not be arrested, prosecuted,
7 or subject to other criminal sanctions or civil consequences for
8 possession, manufacture, or delivery of, or for possession with
9 intent to manufacture or deliver, (~~marijuana~~) cannabis under state
10 law, or have real or personal property seized or forfeited for
11 possession, manufacture, or delivery of, or for possession with
12 intent to manufacture or deliver, (~~marijuana~~) cannabis under state
13 law, and investigating law enforcement officers and agencies may not
14 be held civilly liable for failure to seize (~~marijuana~~) cannabis in
15 this circumstance, if:

16 (1) (a) (i) The qualifying patient or designated provider has been
17 entered into the medical (~~marijuana~~) cannabis authorization
18 database and holds a valid recognition card and possesses no more
19 than the amount of (~~marijuana~~) cannabis concentrates, useable
20 (~~marijuana~~) cannabis, plants, or (~~marijuana-infused~~) cannabis-
21 infused products authorized under RCW 69.51A.210.

22 (ii) If a person is both a qualifying patient and a designated
23 provider for another qualifying patient, the person may possess no
24 more than twice the amounts described in RCW 69.51A.210 for the
25 qualifying patient and designated provider, whether the plants,
26 (~~marijuana~~) cannabis concentrates, useable (~~marijuana, —or~~
27 ~~marijuana-infused~~) cannabis, or cannabis-infused products are
28 possessed individually or in combination between the qualifying
29 patient and his or her designated provider;

30 (b) The qualifying patient or designated provider presents his or
31 her recognition card to any law enforcement officer who questions the
32 patient or provider regarding his or her medical use of (~~marijuana~~)
33 cannabis;

34 (c) The qualifying patient or designated provider keeps a copy of
35 his or her recognition card and the qualifying patient or designated
36 provider's contact information posted prominently next to any plants,
37 (~~marijuana~~) cannabis concentrates, (~~marijuana-infused~~) cannabis-
38 infused products, or useable (~~marijuana~~) cannabis located at his or
39 her residence;

1 (d) The investigating law enforcement officer does not possess
2 evidence that:

3 (i) The designated provider has converted ((~~marijuana~~)) cannabis
4 produced or obtained for the qualifying patient for his or her own
5 personal use or benefit; or

6 (ii) The qualifying patient sold, donated, or supplied
7 ((~~marijuana~~)) cannabis to another person; and

8 (e) The designated provider has not served as a designated
9 provider to more than one qualifying patient within a fifteen-day
10 period; or

11 (2) The qualifying patient or designated provider participates in
12 a cooperative as provided in RCW 69.51A.250.

13 **Sec. 117.** RCW 69.51A.043 and 2015 c 70 s 25 are each amended to
14 read as follows:

15 (1) A qualifying patient or designated provider who has a valid
16 authorization from his or her health care professional, but is not
17 entered in the medical ((~~marijuana~~)) cannabis authorization database
18 and does not have a recognition card may raise the affirmative
19 defense set forth in subsection (2) of this section, if:

20 (a) The qualifying patient or designated provider presents his or
21 her authorization to any law enforcement officer who questions the
22 patient or provider regarding his or her medical use of ((~~marijuana~~))
23 cannabis;

24 (b) The qualifying patient or designated provider possesses no
25 more ((~~marijuana~~)) cannabis than the limits set forth in RCW
26 69.51A.210(3);

27 (c) The qualifying patient or designated provider is in
28 compliance with all other terms and conditions of this chapter;

29 (d) The investigating law enforcement officer does not have
30 probable cause to believe that the qualifying patient or designated
31 provider has committed a felony, or is committing a misdemeanor in
32 the officer's presence, that does not relate to the medical use of
33 ((~~marijuana~~)) cannabis; and

34 (e) No outstanding warrant for arrest exists for the qualifying
35 patient or designated provider.

36 (2) A qualifying patient or designated provider who is not
37 entered in the medical ((~~marijuana~~)) cannabis authorization database
38 and does not have a recognition card, but who presents his or her
39 authorization to any law enforcement officer who questions the

1 patient or provider regarding his or her medical use of ((~~marijuana~~))
2 cannabis, may assert an affirmative defense to charges of violations
3 of state law relating to ((~~marijuana~~)) cannabis through proof at
4 trial, by a preponderance of the evidence, that he or she otherwise
5 meets the requirements of RCW 69.51A.040. A qualifying patient or
6 designated provider meeting the conditions of this subsection but
7 possessing more ((~~marijuana~~)) cannabis than the limits set forth in
8 RCW 69.51A.210(3) may, in the investigating law enforcement officer's
9 discretion, be taken into custody and booked into jail in connection
10 with the investigation of the incident.

11 **Sec. 118.** RCW 69.51A.045 and 2015 c 70 s 29 are each amended to
12 read as follows:

13 (1) A qualifying patient or designated provider in possession of
14 plants, ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
15 ~~marijuana-infused~~)) cannabis, or cannabis infused products exceeding
16 the limits set forth in this chapter but otherwise in compliance with
17 all other terms and conditions of this chapter may establish an
18 affirmative defense to charges of violations of state law relating to
19 ((~~marijuana~~)) cannabis through proof at trial, by a preponderance of
20 the evidence, that the qualifying patient's necessary medical use
21 exceeds the amounts set forth in RCW 69.51A.040.

22 (2) An investigating law enforcement officer may seize plants,
23 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
24 ~~marijuana-infused~~)) cannabis, or cannabis-infused products exceeding
25 the amounts set forth in this chapter. In the case of plants, the
26 qualifying patient or designated provider shall be allowed to select
27 the plants that will remain at the location. The officer and his or
28 her law enforcement agency may not be held civilly liable for failure
29 to seize ((~~marijuana~~)) cannabis in this circumstance.

30 **Sec. 119.** RCW 69.51A.050 and 1999 c 2 s 7 are each amended to
31 read as follows:

32 (1) The lawful possession or manufacture of medical ((~~marijuana~~))
33 cannabis as authorized by this chapter shall not result in the
34 forfeiture or seizure of any property.

35 (2) No person shall be prosecuted for constructive possession,
36 conspiracy, or any other criminal offense solely for being in the
37 presence or vicinity of medical ((~~marijuana~~)) cannabis or its use as
38 authorized by this chapter.

1 (3) The state shall not be held liable for any deleterious
2 outcomes from the medical use of (~~marijuana~~) cannabis by any
3 qualifying patient.

4 **Sec. 120.** RCW 69.51A.060 and 2019 c 204 s 3 are each amended to
5 read as follows:

6 (1) It shall be a class 3 civil infraction to use or display
7 medical (~~marijuana~~) cannabis in a manner or place which is open to
8 the view of the general public.

9 (2) Nothing in this chapter establishes a right of care as a
10 covered benefit or requires any state purchased health care as
11 defined in RCW 41.05.011 or other health carrier or health plan as
12 defined in Title 48 RCW to be liable for any claim for reimbursement
13 for the medical use of (~~marijuana~~) cannabis. Such entities may
14 enact coverage or noncoverage criteria or related policies for
15 payment or nonpayment of medical (~~marijuana~~) cannabis in their sole
16 discretion.

17 (3) Nothing in this chapter requires any health care professional
18 to authorize the medical use of (~~marijuana~~) cannabis for a patient.

19 (4) Nothing in this chapter requires any accommodation of any on-
20 site medical use of (~~marijuana~~) cannabis in any place of
21 employment, in any youth center, in any correctional facility, or
22 smoking (~~marijuana~~) cannabis in any public place or hotel or motel.

23 (5) Nothing in this chapter authorizes the possession or use of
24 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, useable
25 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
26 products on federal property.

27 (6) Nothing in this chapter authorizes the use of medical
28 (~~marijuana~~) cannabis by any person who is subject to the Washington
29 code of military justice in chapter 38.38 RCW.

30 (7) Employers may establish drug-free work policies. Nothing in
31 this chapter requires an accommodation for the medical use of
32 (~~marijuana~~) cannabis if an employer has a drug-free workplace.

33 (8) No person shall be entitled to claim the protection from
34 arrest and prosecution under RCW 69.51A.040 or the affirmative
35 defense under RCW 69.51A.043 for engaging in the medical use of
36 (~~marijuana~~) cannabis in a way that endangers the health or well-
37 being of any person through the use of a motorized vehicle on a
38 street, road, or highway, including violations of RCW 46.61.502 or
39 46.61.504, or equivalent local ordinances.

1 **Sec. 121.** RCW 69.51A.100 and 2015 c 70 s 34 are each amended to
2 read as follows:

3 (1) A qualifying patient may revoke his or her designation of a
4 specific designated provider and designate a different designated
5 provider at any time. A revocation of designation must be in writing,
6 signed and dated, and provided to the designated provider and, if
7 applicable, the medical ((~~marijuana~~)) cannabis authorization database
8 administrator. The protections of this chapter cease to apply to a
9 person who has served as a designated provider to a qualifying
10 patient seventy-two hours after receipt of that patient's revocation
11 of his or her designation.

12 (2) A person may stop serving as a designated provider to a given
13 qualifying patient at any time by revoking that designation in
14 writing, signed and dated, and provided to the qualifying patient
15 and, if applicable, the medical ((~~marijuana~~)) cannabis authorization
16 database administrator. However, that person may not begin serving as
17 a designated provider to a different qualifying patient until fifteen
18 days have elapsed from the date the last qualifying patient
19 designated him or her to serve as a ((~~designated~~)) designated
20 provider.

21 (3) The department may adopt rules to implement this section,
22 including a procedure to remove the name of the designated provider
23 from the medical ((~~marijuana~~)) cannabis authorization database upon
24 receipt of a revocation under this section.

25 **Sec. 122.** RCW 69.51A.210 and 2015 c 70 s 19 are each amended to
26 read as follows:

27 As part of authorizing a qualifying patient or designated
28 provider, the health care professional may include recommendations on
29 the amount of ((~~marijuana~~)) cannabis that is likely needed by the
30 qualifying patient for his or her medical needs and in accordance
31 with this section.

32 (1) If the health care professional does not include
33 recommendations on the qualifying patient's or designated provider's
34 authorization, the ((~~marijuana~~)) cannabis retailer with a medical
35 ((~~marijuana~~)) cannabis endorsement, when adding the qualifying
36 patient or designated provider to the medical ((~~marijuana~~)) cannabis
37 authorization database, shall enter into the database that the
38 qualifying patient or designated provider may purchase or obtain at a
39 retail outlet holding a medical ((~~marijuana~~)) cannabis endorsement a

1 combination of the following: Forty-eight ounces of (~~marijuana-~~
2 ~~infused~~) cannabis-infused product in solid form; three ounces of
3 useable (~~marijuana~~) cannabis; two hundred sixteen ounces of
4 (~~marijuana-infused~~) cannabis-infused product in liquid form; or
5 twenty-one grams of (~~marijuana~~) cannabis concentrates. The
6 qualifying patient or designated provider may also grow, in his or
7 her domicile, up to six plants for the personal medical use of the
8 qualifying patient and possess up to eight ounces of useable
9 (~~marijuana~~) cannabis produced from his or her plants. These amounts
10 shall be specified on the recognition card that is issued to the
11 qualifying patient or designated provider.

12 (2) If the health care professional determines that the medical
13 needs of a qualifying patient exceed the amounts provided for in
14 subsection (1) of this section, the health care professional must
15 specify on the authorization that it is recommended that the patient
16 be allowed to grow, in his or her domicile, up to fifteen plants for
17 the personal medical use of the patient. A patient so authorized may
18 possess up to sixteen ounces of useable (~~marijuana~~) cannabis in his
19 or her domicile. The number of plants must be entered into the
20 medical (~~marijuana~~) cannabis authorization database by the
21 (~~marijuana~~) cannabis retailer with a medical (~~marijuana~~) cannabis
22 endorsement and specified on the recognition card that is issued to
23 the qualifying patient or designated provider.

24 (3) If a qualifying patient or designated provider with an
25 authorization from a health care professional has not been entered
26 into the medical (~~marijuana~~) cannabis authorization database, he or
27 she may not receive a recognition card and may only purchase at a
28 retail outlet, whether it holds a medical (~~marijuana~~) cannabis
29 endorsement or not, the amounts established in RCW 69.50.360. In
30 addition the qualifying patient or the designated provider may grow,
31 in his or her domicile, up to four plants for the personal medical
32 use of the qualifying patient and possess up to six ounces of useable
33 (~~marijuana~~) cannabis in his or her domicile.

34 **Sec. 123.** RCW 69.51A.220 and 2015 c 70 s 20 are each amended to
35 read as follows:

36 (1) Health care professionals may authorize the medical use of
37 (~~marijuana~~) cannabis for qualifying patients who are under the age
38 of eighteen if:

1 (a) The minor's parent or guardian participates in the minor's
2 treatment and agrees to the medical use of (~~marijuana~~) cannabis by
3 the minor; and

4 (b) The parent or guardian acts as the designated provider for
5 the minor and has sole control over the minor's (~~marijuana~~)
6 cannabis.

7 (2) The minor may not grow plants or purchase (~~marijuana-~~
8 ~~infused~~) cannabis-infused products, useable (~~marijuana,~~ ~~or~~
9 ~~marijuana~~) cannabis, or cannabis concentrates from a (~~marijuana~~)
10 cannabis retailer with a medical (~~marijuana~~) cannabis endorsement.

11 (3) Both the minor and the minor's parent or guardian who is
12 acting as the designated provider must be entered in the medical
13 (~~marijuana~~) cannabis authorization database and hold a recognition
14 card.

15 (4) A health care professional who authorizes the medical use of
16 (~~marijuana~~) cannabis by a minor must do so as part of the course of
17 treatment of the minor's terminal or debilitating medical condition.
18 If authorizing a minor for the medical use of (~~marijuana~~) cannabis,
19 the health care professional must:

20 (a) Consult with other health care providers involved in the
21 minor's treatment, as medically indicated, before authorization or
22 reauthorization of the medical use of (~~marijuana~~) cannabis; and

23 (b) Reexamine the minor at least once every six months or more
24 frequently as medically indicated. The reexamination must:

25 (i) Determine that the minor continues to have a terminal or
26 debilitating medical condition and that the condition benefits from
27 the medical use of (~~marijuana~~) cannabis; and

28 (ii) Include a follow-up discussion with the minor's parent or
29 guardian to ensure the parent or guardian continues to participate in
30 the treatment of the minor.

31 **Sec. 124.** RCW 69.51A.225 and 2019 c 204 s 2 are each amended to
32 read as follows:

33 A school district must permit a student who meets the
34 requirements of RCW 69.51A.220 to consume (~~marijuana-infused~~)
35 cannabis-infused products on school grounds, aboard a school bus, or
36 while attending a school-sponsored event. The use must be in
37 accordance with school policy relating to medical (~~marijuana~~)
38 cannabis use on school grounds, aboard a school bus, or while
39 attending a school-sponsored event, as adopted under RCW 28A.210.325.

1 **Sec. 125.** RCW 69.51A.230 and 2019 c 220 s 2 and 2019 c 203 s 2
2 are each reenacted and amended to read as follows:

3 (1) The department must contract with an entity to create,
4 administer, and maintain a secure and confidential medical
5 ((~~marijuana~~)) cannabis authorization database that(~~(, beginning July~~
6 ~~1, 2016,~~)) allows:

7 (a) A ((~~marijuana~~)) cannabis retailer with a medical
8 ((~~marijuana~~)) cannabis endorsement to add a qualifying patient or
9 designated provider and include the amount of ((~~marijuana~~)) cannabis
10 concentrates, useable ((~~marijuana, marijuana-infused~~)) cannabis,
11 cannabis-infused products, or plants for which the qualifying patient
12 is authorized under RCW 69.51A.210;

13 (b) Persons authorized to prescribe or dispense controlled
14 substances to access health care information on their patients for
15 the purpose of providing medical or pharmaceutical care for their
16 patients;

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

20 (d) Appropriate local, state, tribal, and federal law enforcement
21 or prosecutorial officials who are engaged in a bona fide specific
22 investigation of suspected ((~~marijuana-related~~)) cannabis-related
23 activity that may be illegal under Washington state law to confirm
24 the validity of the recognition card of a qualifying patient or
25 designated provider;

26 (e) A ((~~marijuana~~)) cannabis retailer holding a medical
27 ((~~marijuana~~)) cannabis endorsement to confirm the validity of the
28 recognition card of a qualifying patient or designated provider;

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

31 (g) The department and the health care professional's
32 disciplining authorities to monitor authorizations and ensure
33 compliance with this chapter and chapter 18.130 RCW by their
34 licensees; and

35 (h) Authorizations to expire six months or one year after entry
36 into the medical ((~~marijuana~~)) cannabis authorization database,
37 depending on whether the authorization is for a minor or an adult.

38 (2) A qualifying patient and his or her designated provider, if
39 any, may be placed in the medical ((~~marijuana~~)) cannabis
40 authorization database at a ((~~marijuana~~)) cannabis retailer with a

1 medical ((~~marijuana~~)) cannabis endorsement. After all qualifying
2 patient or designated provider is placed in the medical ((~~marijuana~~))
3 cannabis authorization database, he or she must be provided with a
4 recognition card that contains identifiers required in subsection (3)
5 of this section.

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

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

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

11 (c) A photograph of the qualifying patient's or designated
12 provider's face taken by an employee of the ((~~marijuana~~)) cannabis
13 retailer with a medical ((~~marijuana~~)) cannabis endorsement at the
14 same time that the qualifying patient or designated provider is being
15 placed in the medical ((~~marijuana~~)) cannabis authorization database
16 in accordance with rules adopted by the department;

17 (d) The amount of ((~~marijuana~~)) cannabis concentrates, useable
18 ((~~marijuana, marijuana-infused~~)) cannabis, cannabis-infused products,
19 or plants for which the qualifying patient is authorized under RCW
20 69.51A.210;

21 (e) The effective date and expiration date of the recognition
22 card;

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

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

27 (4)(a) For qualifying patients who are eighteen years of age or
28 older and their designated providers, recognition cards are valid for
29 one year from the date the health care professional issued the
30 authorization. For qualifying patients who are under the age of
31 eighteen and their designated providers, recognition cards are valid
32 for six months from the date the health care professional issued the
33 authorization. Qualifying patients may not be reentered into the
34 medical ((~~marijuana~~)) cannabis authorization database until they have
35 been reexamined by a health care professional and determined to meet
36 the definition of qualifying patient. After reexamination, a
37 ((~~marijuana~~)) cannabis retailer with a medical ((~~marijuana~~)) cannabis
38 endorsement must reenter the qualifying patient or designated
39 provider into the medical ((~~marijuana~~)) cannabis authorization

1 database and a new recognition card will then be issued in accordance
2 with department rules.

3 (b) (~~Beginning on July 28, 2019, a~~) A qualifying patient's
4 registration in the medical (~~(marijuana)~~) cannabis authorization
5 database and his or her recognition card may be renewed by a
6 qualifying patient's designated provider without the physical
7 presence of the qualifying patient at the retailer if the
8 authorization from the health care professional indicates that the
9 qualifying patient qualifies for a compassionate care renewal, as
10 provided in RCW 69.51A.030. A qualifying patient receiving renewals
11 under the compassionate care renewal provisions is exempt from the
12 photograph requirements under subsection (3)(c) of this section.

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

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

36 (7) During development of the medical (~~(marijuana)~~) cannabis
37 authorization database, the database administrator must consult with
38 the department, stakeholders, and persons with relevant expertise to
39 include, but not be limited to, qualifying patients, designated
40 providers, health care professionals, state and local law enforcement

1 agencies, and the University of Washington computer science and
2 engineering security and privacy research lab or a certified
3 cybersecurity firm, vendor, or service.

4 (8) The medical ((~~marijuana~~)) cannabis authorization database
5 must meet the following requirements:

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

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

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

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

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

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

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

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

1 collected. Fees collected under this subsection shall be deposited
2 into the dedicated ((~~marijuana~~)) cannabis account created under RCW
3 69.50.530.

4 (11) If the database administrator fails to comply with this
5 section, the department may cancel any contracts with the database
6 administrator and contract with another database administrator to
7 continue administration of the database. A database administrator who
8 fails to comply with this section is subject to a fine of up to five
9 thousand dollars in addition to any penalties established in the
10 contract. Fines collected under this section must be deposited into
11 the health professions account created under RCW 43.70.320.

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

13 **Sec. 126.** RCW 69.51A.240 and 2015 c 70 s 23 are each amended to
14 read as follows:

15 (1) It is unlawful for a person to knowingly or intentionally:

16 (a) Access the medical ((~~marijuana~~)) cannabis authorization
17 database for any reason not authorized under RCW 69.51A.230;

18 (b) Disclose any information received from the medical
19 ((~~marijuana~~)) cannabis authorization database in violation of RCW
20 69.51A.230 including, but not limited to, qualifying patient or
21 designated provider names, addresses, or amount of ((~~marijuana~~))
22 cannabis for which they are authorized;

23 (c) Produce a recognition card or to tamper with a recognition
24 card for the purpose of having it accepted by a ((~~marijuana~~))
25 cannabis retailer holding a medical ((~~marijuana~~)) cannabis
26 endorsement in order to purchase ((~~marijuana~~)) cannabis as a
27 qualifying patient or designated provider or to grow ((~~marijuana~~))
28 cannabis plants in accordance with this chapter;

29 (d) If a person is a designated provider to a qualifying patient,
30 sell, donate, or supply ((~~marijuana~~)) cannabis produced or obtained
31 for the qualifying patient to another person, or use the
32 ((~~marijuana~~)) cannabis produced or obtained for the qualifying
33 patient for the designated provider's own personal use or benefit; or

34 (e) If the person is a qualifying patient, sell, donate, or
35 otherwise supply ((~~marijuana~~)) cannabis produced or obtained by the
36 qualifying patient to another person.

37 (2) A person who violates this section is guilty of a class C
38 felony.

1 **Sec. 127.** RCW 69.51A.250 and 2017 c 317 s 8 are each amended to
2 read as follows:

3 (1) Qualifying patients or designated providers may form a
4 cooperative and share responsibility for acquiring and supplying the
5 resources needed to produce and process ((~~marijuana~~)) cannabis only
6 for the medical use of members of the cooperative. No more than four
7 qualifying patients or designated providers may become members of a
8 cooperative under this section and all members must hold valid
9 recognition cards. All members of the cooperative must be at least
10 twenty-one years old. The designated provider of a qualifying patient
11 who is under twenty-one years old may be a member of a cooperative on
12 the qualifying patient's behalf. All plants grown in the cooperative
13 must be from an immature plant or clone purchased from a licensed
14 ((~~marijuana~~)) cannabis producer as defined in RCW 69.50.101.
15 Cooperatives may also purchase ((~~marijuana~~)) cannabis seeds from a
16 licensed ((~~marijuana~~)) cannabis producer.

17 (2) Qualifying patients and designated providers who wish to form
18 a cooperative must register the location with the state liquor and
19 cannabis board and this is the only location where cooperative
20 members may grow or process ((~~marijuana~~)) cannabis. This registration
21 must include the names of all participating members and copies of
22 each participant's recognition card. Only qualifying patients or
23 designated providers registered with the state liquor and cannabis
24 board in association with the location may participate in growing or
25 receive useable ((~~marijuana~~—or—~~marijuana-infused~~)) cannabis or
26 cannabis-infused products grown at that location.

27 (3) No cooperative may be located in any of the following areas:

28 (a) Within one mile of a ((~~marijuana~~)) cannabis retailer;

29 (b) Within the smaller of either:

30 (i) One thousand feet of the perimeter of the grounds of any
31 elementary or secondary school, playground, recreation center or
32 facility, child care center, public park, public transit center,
33 library, or any game arcade that admission to which is not restricted
34 to persons aged twenty-one years or older; or

35 (ii) The area restricted by ordinance, if the cooperative is
36 located in a city, county, or town that has passed an ordinance
37 pursuant to RCW 69.50.331(8); or

38 (c) Where prohibited by a city, town, or county zoning provision.

1 (4) The state liquor and cannabis board must deny the
2 registration of any cooperative if the location does not comply with
3 the requirements set forth in subsection (3) of this section.

4 (5) If a qualifying patient or designated provider no longer
5 participates in growing at the location, he or she must notify the
6 state liquor and cannabis board within fifteen days of the date the
7 qualifying patient or designated provider ceases participation. The
8 state liquor and cannabis board must remove his or her name from
9 connection to the cooperative. Additional qualifying patients or
10 designated providers may not join the cooperative until sixty days
11 have passed since the date on which the last qualifying patient or
12 designated provider notifies the state liquor and cannabis board that
13 he or she no longer participates in that cooperative.

14 (6) Qualifying patients or designated providers who participate
15 in a cooperative under this section:

16 (a) May grow up to the total amount of plants for which each
17 participating member is authorized on their recognition cards, up to
18 a maximum of sixty plants. At the location, the qualifying patients
19 or designated providers may possess the amount of useable
20 (~~marijuana~~) cannabis that can be produced with the number of plants
21 permitted under this subsection, but no more than seventy-two ounces;

22 (b) May only participate in one cooperative;

23 (c) May only grow plants in the cooperative and if he or she
24 grows plants in the cooperative may not grow plants elsewhere;

25 (d) Must provide assistance in growing plants. A monetary
26 contribution or donation is not to be considered assistance under
27 this section. Participants must provide nonmonetary resources and
28 labor in order to participate; and

29 (e) May not sell, donate, or otherwise provide (~~marijuana,~~
30 ~~marijuana~~) cannabis, cannabis concentrates, useable (~~marijuana, or~~
31 ~~marijuana-infused~~) cannabis, or cannabis-infused products to a
32 person who is not participating under this section.

33 (7) The location of the cooperative must be the domicile of one
34 of the participants. Only one cooperative may be located per property
35 tax parcel. A copy of each participant's recognition card must be
36 kept at the location at all times.

37 (8) The state liquor and cannabis board may adopt rules to
38 implement this section including:

1 (a) Any security requirements necessary to ensure the safety of
2 the cooperative and to reduce the risk of diversion from the
3 cooperative;

4 (b) A seed to sale traceability model that is similar to the seed
5 to sale traceability model used by licensees that will allow the
6 state liquor and cannabis board to track all (~~marijuana~~) cannabis
7 grown in a cooperative.

8 (9) The state liquor and cannabis board or law enforcement may
9 inspect a cooperative registered under this section to ensure members
10 are in compliance with this section. The state liquor and cannabis
11 board must adopt rules on reasonable inspection hours and reasons for
12 inspections.

13 **Sec. 128.** RCW 69.51A.260 and 2015 c 70 s 27 are each amended to
14 read as follows:

15 (1) Notwithstanding any other provision of this chapter and even
16 if multiple qualifying patients or designated providers reside in the
17 same housing unit, no more than fifteen plants may be grown or
18 located in any one housing unit other than a cooperative established
19 pursuant to RCW 69.51A.250.

20 (2) Neither the production nor processing of (~~marijuana~~ ~~or~~
21 ~~marijuana-infused~~) cannabis or cannabis-infused products pursuant to
22 this section nor the storage or growing of plants may occur if any
23 portion of such activity can be readily seen by normal unaided vision
24 or readily smelled from a public place or the private property of
25 another housing unit.

26 (3) Cities, towns, counties, and other municipalities may create
27 and enforce civil penalties, including abatement procedures, for the
28 growing or processing of (~~marijuana~~) cannabis and for keeping
29 (~~marijuana~~) cannabis plants beyond or otherwise not in compliance
30 with this section.

31 **Sec. 129.** RCW 69.51A.270 and 2015 c 70 s 28 are each amended to
32 read as follows:

33 (1) Once the state liquor and cannabis board adopts rules under
34 subsection (2) of this section, qualifying patients or designated
35 providers may only extract or separate the resin from (~~marijuana~~)
36 cannabis or produce or process any form of (~~marijuana~~) cannabis
37 concentrates or (~~marijuana-infused~~) cannabis-infused products in
38 accordance with those standards.

1 (2) The state liquor and cannabis board must adopt rules
2 permitting qualifying patients and designated providers to extract or
3 separate the resin from ((marijuana)) cannabis using noncombustible
4 methods. The rules must provide the noncombustible methods permitted
5 and any restrictions on this practice.

6 **Sec. 130.** RCW 69.51A.290 and 2015 c 70 s 37 are each amended to
7 read as follows:

8 A medical ((marijuana)) cannabis consultant certificate is hereby
9 established.

10 (1) In addition to any other authority provided by law, the
11 secretary of the department may:

12 (a) Adopt rules, in accordance with chapter 34.05 RCW, necessary
13 to implement this chapter;

14 (b) Establish forms and procedures necessary to administer this
15 chapter;

16 (c) Approve training or education programs that meet the
17 requirements of this section and any rules adopted to implement it;

18 (d) Receive criminal history record information that includes
19 nonconviction information data for any purpose associated with
20 initial certification or renewal of certification. The secretary
21 shall require each applicant for initial certification to obtain a
22 state or federal criminal history record information background check
23 through the state patrol or the state patrol and the identification
24 division of the federal bureau of investigation prior to the issuance
25 of any certificate. The secretary shall specify those situations
26 where a state background check is inadequate and an applicant must
27 obtain an electronic fingerprint-based national background check
28 through the state patrol and federal bureau of investigation.
29 Situations where a background check is inadequate may include
30 instances where an applicant has recently lived out-of-state or where
31 the applicant has a criminal record in Washington;

32 (e) Establish administrative procedures, administrative
33 requirements, and fees in accordance with RCW 43.70.110 and
34 43.70.250; and

35 (f) Maintain the official department record of all applicants and
36 certificate holders.

37 (2) A training or education program approved by the secretary
38 must include the following topics:

1 (a) The medical conditions that constitute terminal or
2 debilitating conditions, and the symptoms of those conditions;

3 (b) Short and long-term effects of cannabinoids;

4 (c) Products that may benefit qualifying patients based on the
5 patient's terminal or debilitating medical condition;

6 (d) Risks and benefits of various routes of administration;

7 (e) Safe handling and storage of useable (~~(marijuana, marijuana-~~
8 ~~infused)) cannabis, cannabis-infused products, and (~~(marijuana))~~
9 cannabis concentrates, including strategies to reduce access by
10 minors;~~

11 (f) Demonstrated knowledge of this chapter and the rules adopted
12 to implement it; and

13 (g) Other subjects deemed necessary and appropriate by the
14 secretary to ensure medical (~~(marijuana))~~ cannabis consultant
15 certificate holders are able to provide evidence-based and medically
16 accurate advice on the medical use of (~~(marijuana))~~ cannabis.

17 (3) Medical (~~(marijuana))~~ cannabis consultant certificates are
18 subject to annual renewals and continuing education requirements
19 established by the secretary.

20 (4) The secretary shall have the power to refuse, suspend, or
21 revoke the certificate of any medical (~~(marijuana))~~ cannabis
22 consultant upon proof that:

23 (a) The certificate was procured through fraud,
24 misrepresentation, or deceit;

25 (b) The certificate holder has committed acts in violation of
26 subsection (6) of this section; or

27 (c) The certificate holder has violated or has permitted any
28 employee or volunteer to violate any of the laws of this state
29 relating to drugs or controlled substances or has been convicted of a
30 felony.

31 In any case of the refusal, suspension, or revocation of a
32 certificate by the secretary under the provisions of this chapter,
33 appeal may be taken in accordance with chapter 34.05 RCW, the
34 administrative procedure act.

35 (5) A medical (~~(marijuana))~~ cannabis consultant may provide the
36 following services when acting as an owner, employee, or volunteer of
37 a retail outlet licensed under RCW 69.50.354 and holding a medical
38 (~~(marijuana))~~ cannabis endorsement under RCW 69.50.375:

1 (a) Assisting a customer with the selection of products sold at
2 the retail outlet that may benefit the qualifying patient's terminal
3 or debilitating medical condition;

4 (b) Describing the risks and benefits of products sold at the
5 retail outlet;

6 (c) Describing the risks and benefits of methods of
7 administration of products sold at the retail outlet;

8 (d) Advising a customer about the safe handling and storage of
9 useable ((~~marijuana, marijuana-infused~~)) cannabis, cannabis-infused
10 products, and ((~~marijuana~~)) cannabis concentrates, including
11 strategies to reduce access by minors; and

12 (e) Providing instruction and demonstrations to customers about
13 proper use and application of useable ((~~marijuana, marijuana-~~
14 ~~infused~~)) cannabis, cannabis-infused products, and ((~~marijuana~~))
15 cannabis concentrates.

16 (6) Nothing in this section authorizes a medical ((~~marijuana~~))
17 cannabis consultant to:

18 (a) Offer or undertake to diagnose or cure any human disease,
19 ailment, injury, infirmity, deformity, pain, or other condition,
20 physical or mental, real or imaginary, by use of ((~~marijuana~~))
21 cannabis or any other means or instrumentality; or

22 (b) Recommend or suggest modification or elimination of any
23 course of treatment that does not involve the medical use of
24 ((~~marijuana~~)) cannabis.

25 (7) Nothing in this section requires an owner, employee, or
26 volunteer of a retail outlet licensed under RCW 69.50.354 and holding
27 a medical ((~~marijuana~~)) cannabis endorsement under RCW 69.50.375 to
28 obtain a medical ((~~marijuana~~)) cannabis consultant certification.

29 (8) Nothing in this section applies to the practice of a health
30 care profession by individuals who are licensed, certified, or
31 registered in a profession listed in RCW 18.130.040(2) and who are
32 performing services within their authorized scope of practice.

33 **Sec. 131.** RCW 69.51A.300 and 2019 c 55 s 13 are each amended to
34 read as follows:

35 The board of naturopathy, the board of osteopathic medicine and
36 surgery, the Washington medical commission, and the nursing care
37 quality assurance commission shall develop and approve continuing
38 education programs related to the use of ((~~marijuana~~)) cannabis for
39 medical purposes for the health care providers that they each

1 regulate that are based upon practice guidelines that have been
2 adopted by each entity.

3 **Sec. 132.** RCW 69.51A.310 and 2017 c 317 s 11 are each amended to
4 read as follows:

5 Qualifying patients and designated providers, who hold a
6 recognition card and have been entered into the medical ((marijuana))
7 cannabis authorization database, may purchase immature plants or
8 clones from a licensed ((marijuana)) cannabis producer as defined in
9 RCW 69.50.101. Qualifying patients and designated providers may also
10 purchase ((marijuana)) cannabis seeds from a licensed ((marijuana))
11 cannabis producer.

12 **Sec. 133.** RCW 70.345.010 and 2019 c 445 s 210 and 2019 c 15 s 4
13 are each reenacted and amended to read as follows:

14 The definitions in this section apply throughout this chapter
15 unless the context clearly requires otherwise.

16 (1) "Board" means the Washington state liquor and cannabis board.

17 (2) "Business" means any trade, occupation, activity, or
18 enterprise engaged in for the purpose of selling or distributing
19 vapor products in this state.

20 (3) "Child care facility" has the same meaning as provided in RCW
21 ((~~70.140.020~~)) 70A.320.020.

22 (4) "Closed system nicotine container" means a sealed, prefilled,
23 and disposable container of nicotine in a solution or other form in
24 which such container is inserted directly into an electronic
25 cigarette, electronic nicotine delivery system, or other similar
26 product, if the nicotine in the container is inaccessible through
27 customary or reasonably foreseeable handling or use, including
28 reasonably foreseeable ingestion or other contact by children.

29 (5) "Delivery sale" means any sale of a vapor product to a
30 purchaser in this state where either:

31 (a) The purchaser submits the order for such sale by means of a
32 telephonic or other method of voice transmission, the mails or any
33 other delivery service, or the internet or other online service; or

34 (b) The vapor product is delivered by use of the mails or of a
35 delivery service. The foregoing sales of vapor products constitute a
36 delivery sale regardless of whether the seller is located within or
37 without this state. "Delivery sale" does not include a sale of any
38 vapor product not for personal consumption to a retailer.

- 1 (6) "Delivery seller" means a person who makes delivery sales.
- 2 (7) "Distributor" has the same meaning as in RCW 82.25.005.
- 3 (8) "Liquid nicotine container" means a package from which
4 nicotine in a solution or other form is accessible through normal and
5 foreseeable use by a consumer and that is used to hold soluble
6 nicotine in any concentration. "Liquid nicotine container" does not
7 include closed system nicotine containers.
- 8 (9) "Manufacturer" means a person who manufactures and sells
9 vapor products.
- 10 (10) "Person" means any individual, receiver, administrator,
11 executor, assignee, trustee in bankruptcy, trust, estate, firm,
12 copartnership, joint venture, club, company, joint stock company,
13 business trust, municipal corporation, the state and its departments
14 and institutions, political subdivision of the state of Washington,
15 corporation, limited liability company, association, society, any
16 group of individuals acting as a unit, whether mutual, cooperative,
17 fraternal, nonprofit, or otherwise.
- 18 (11) "Place of business" means any place where vapor products are
19 sold or where vapor products are manufactured, stored, or kept for
20 the purpose of sale.
- 21 (12) "Playground" means any public improved area designed,
22 equipped, and set aside for play of six or more children which is not
23 intended for use as an athletic playing field or athletic court,
24 including but not limited to any play equipment, surfacing, fencing,
25 signs, internal pathways, internal land forms, vegetation, and
26 related structures.
- 27 (13) "Retail outlet" means each place of business from which
28 vapor products are sold to consumers.
- 29 (14) "Retailer" means any person engaged in the business of
30 selling vapor products to ultimate consumers.
- 31 (15)(a) "Sale" means any transfer, exchange, or barter, in any
32 manner or by any means whatsoever, for a consideration, and includes
33 and means all sales made by any person.
- 34 (b) The term "sale" includes a gift by a person engaged in the
35 business of selling vapor products, for advertising, promoting, or as
36 a means of evading the provisions of this chapter.
- 37 (16) "School" has the same meaning as provided in RCW
38 (~~(70.140.020)~~) 70A.320.020.
- 39 (17) "Self-service display" means a display that contains vapor
40 products and is located in an area that is openly accessible to

1 customers and from which customers can readily access such products
2 without the assistance of a salesperson. A display case that holds
3 vapor products behind locked doors does not constitute a self-service
4 display.

5 (18) "Vapor product" means any noncombustible product that may
6 contain nicotine and that employs a heating element, power source,
7 electronic circuit, or other electronic, chemical, or mechanical
8 means, regardless of shape or size, that can be used to produce vapor
9 or aerosol from a solution or other substance.

10 (a) "Vapor product" includes any electronic cigarette, electronic
11 cigar, electronic cigarillo, electronic pipe, or similar product or
12 device and any vapor cartridge or other container that may contain
13 nicotine in a solution or other form that is intended to be used with
14 or in an electronic cigarette, electronic cigar, electronic
15 cigarillo, electronic pipe, or similar product or device.

16 (b) "Vapor product" does not include any product that meets the
17 definition of (~~marijuana~~) cannabis, useable (~~marijuana,~~
18 ~~marijuana~~) cannabis, cannabis concentrates, (~~marijuana-infused~~)
19 cannabis-infused products, cigarette, or tobacco products.

20 (c) For purposes of this subsection (18), (~~"marijuana,"~~)
21 "cannabis," "useable (~~marijuana,~~ "~~marijuana~~) cannabis," "cannabis
22 concentrates," and (~~"marijuana-infused~~) "cannabis-infused products"
23 have the same meaning as provided in RCW 69.50.101.

24 **Sec. 134.** RCW 79A.60.040 and 2014 c 132 s 1 are each amended to
25 read as follows:

26 (1) It is unlawful for any person to operate a vessel in a
27 reckless manner.

28 (2) It is unlawful for a person to operate a vessel while under
29 the influence of intoxicating liquor, (~~marijuana~~) cannabis, or any
30 drug. A person is considered to be under the influence of
31 intoxicating liquor, (~~marijuana~~) cannabis, or any drug if, within
32 two hours of operating a vessel:

33 (a) The person has an alcohol concentration of 0.08 or higher as
34 shown by analysis of the person's breath or blood made under RCW
35 46.61.506; or

36 (b) The person has a THC concentration of 5.00 or higher as shown
37 by analysis of the person's blood made under RCW 46.61.506; or

38 (c) The person is under the influence of or affected by
39 intoxicating liquor, (~~marijuana~~) cannabis, or any drug; or

1 (d) The person is under the combined influence of or affected by
2 intoxicating liquor, (~~marijuana~~) cannabis, and any drug.

3 (3) The fact that any person charged with a violation of this
4 section is or has been entitled to use such drug under the laws of
5 this state shall not constitute a defense against any charge of
6 violating this section.

7 (4) (a) Any person who operates a vessel within this state is
8 deemed to have given consent, subject to the provisions of RCW
9 46.61.506, to a test or tests of the person's breath for the purpose
10 of determining the alcohol concentration in the person's breath if
11 arrested for any offense where, at the time of the arrest, the
12 arresting officer has reasonable grounds to believe the person was
13 operating a vessel while under the influence of intoxicating liquor
14 or a combination of intoxicating liquor and any other drug.

15 (b) When an arrest results from an accident in which there has
16 been serious bodily injury to another person or death or the
17 arresting officer has reasonable grounds to believe the person was
18 operating a vessel while under the influence of THC or any other
19 drug, a blood test may be administered with the consent of the
20 arrested person and a valid waiver of the warrant requirement or
21 without the consent of the person so arrested pursuant to a search
22 warrant or when exigent circumstances exist.

23 (c) Neither consent nor this section precludes a police officer
24 from obtaining a search warrant for a person's breath or blood.

25 (d) An arresting officer may administer field sobriety tests when
26 circumstances permit.

27 (5) The test or tests of breath must be administered pursuant to
28 RCW 46.20.308. The officer shall warn the person that if the person
29 refuses to take the test, the person will be issued a class 1 civil
30 infraction under RCW 7.80.120.

31 (6) A violation of subsection (1) of this section is a
32 misdemeanor. A violation of subsection (2) of this section is a gross
33 misdemeanor. In addition to the statutory penalties imposed, the
34 court may order the defendant to pay restitution for any damages or
35 injuries resulting from the offense.

36 (7) For the purposes of this subsection, "cannabis" has the
37 meaning provided in RCW 69.50.101.

38 **Sec. 135.** RCW 82.02.010 and 2014 c 140 s 30 are each amended to
39 read as follows:

1 For the purpose of this title, unless the context clearly
2 requires otherwise:

3 (1) "Cannabis," "cannabis-infused products," and "useable
4 cannabis" have the meanings provided in RCW 69.50.101;

5 (2) "Department" means the department of revenue of the state of
6 Washington;

7 ((+2)) (3) "Director" means the director of the department of
8 revenue of the state of Washington;

9 ((3) ~~"Marijuana," "marijuana-infused products," and "useable~~
10 ~~marijuana" have the same meanings as provided in RCW 69.50.101;~~)

11 (4) "Taxpayer" includes any individual, group of individuals,
12 corporation, or association liable for any tax or the collection of
13 any tax hereunder, or who engages in any business or performs any act
14 for which a tax is imposed by this title. "Taxpayer" also includes
15 any person liable for any fee or other charge collected by the
16 department under any provision of law, including registration
17 assessments and delinquency fees imposed under RCW 59.30.050; and

18 (5) Words in the singular number include the plural and the
19 plural include the singular. Words in one gender include all other
20 genders.

21 **Sec. 136.** RCW 82.04.100 and 2014 c 140 s 1 are each amended to
22 read as follows:

23 "Extractor" means every person who from the person's own land or
24 from the land of another under a right or license granted by lease or
25 contract, either directly or by contracting with others for the
26 necessary labor or mechanical services, for sale or for commercial or
27 industrial use mines, quarries, takes or produces coal, oil, natural
28 gas, ore, stone, sand, gravel, clay, mineral or other natural
29 resource product, or fells, cuts or takes timber, Christmas trees
30 other than plantation Christmas trees, or other natural products, or
31 takes fish, shellfish, or other sea or inland water foods or
32 products. "Extractor" does not include persons performing under
33 contract the necessary labor or mechanical services for others;
34 persons meeting the definition of farmer under RCW 82.04.213; or
35 persons producing ((marijuana)) cannabis.

36 **Sec. 137.** RCW 82.04.213 and 2015 3rd sp.s. c 6 s 1102 are each
37 amended to read as follows:

1 (1) "Agricultural product" means any product of plant cultivation
2 or animal husbandry including, but not limited to: A product of
3 horticulture, grain cultivation, vermiculture, viticulture, or
4 aquaculture as defined in RCW 15.85.020; plantation Christmas trees;
5 short-rotation hardwoods as defined in RCW 84.33.035; turf; or any
6 animal including but not limited to an animal that is a private
7 sector cultured aquatic product as defined in RCW 15.85.020, or a
8 bird, or insect, or the substances obtained from such an animal
9 including honey bee products. "Agricultural product" does not include
10 ((marijuana)) cannabis, useable ((~~marijuana, or marijuana-infused~~))
11 cannabis, or cannabis-infused products, or animals defined as pet
12 animals under RCW 16.70.020.

13 (2) (a) "Farmer" means any person engaged in the business of
14 growing, raising, or producing, upon the person's own lands or upon
15 the lands in which the person has a present right of possession, any
16 agricultural product to be sold, and the growing, raising, or
17 producing honey bee products for sale, or providing bee pollination
18 services, by an eligible apiarist. "Farmer" does not include a person
19 growing, raising, or producing such products for the person's own
20 consumption; a person selling any animal or substance obtained
21 therefrom in connection with the person's business of operating a
22 stockyard or a slaughter or packing house; or a person in respect to
23 the business of taking, cultivating, or raising timber.

24 (b) "Eligible apiarist" means a person who owns or keeps one or
25 more bee colonies and who grows, raises, or produces honey bee
26 products for sale at wholesale and is registered under RCW 15.60.021.

27 (c) "Honey bee products" means queen honey bees, packaged honey
28 bees, honey, pollen, bees wax, propolis, or other substances obtained
29 from honey bees. "Honey bee products" does not include manufactured
30 substances or articles.

31 (3) The terms "agriculture," "farming," "horticulture,"
32 "horticultural," and "horticultural product" may not be construed to
33 include or relate to ((marijuana)) cannabis, useable ((~~marijuana, or~~
34 ~~marijuana-infused~~)) cannabis, or cannabis-infused products unless the
35 applicable term is explicitly defined to include ((marijuana))
36 cannabis, useable ((~~marijuana, or marijuana-infused~~)) cannabis, or
37 cannabis-infused products.

38 (4) ((("Marijuana,")) "Cannabis," "useable ((~~marijuana," and~~
39 ~~"marijuana-infused~~)) cannabis," and "cannabis-infused products" have
40 the same meaning as in RCW 69.50.101.

1 **Sec. 138.** RCW 82.04.260 and 2020 c 165 s 3 are each amended to
2 read as follows:

3 (1) Upon every person engaging within this state in the business
4 of manufacturing:

5 (a) Wheat into flour, barley into pearl barley, soybeans into
6 soybean oil, canola into canola oil, canola meal, or canola by-
7 products, or sunflower seeds into sunflower oil; as to such persons
8 the amount of tax with respect to such business is equal to the value
9 of the flour, pearl barley, oil, canola meal, or canola by-product
10 manufactured, multiplied by the rate of 0.138 percent;

11 (b) Beginning July 1, 2025, seafood products that remain in a
12 raw, raw frozen, or raw salted state at the completion of the
13 manufacturing by that person; or selling manufactured seafood
14 products that remain in a raw, raw frozen, or raw salted state at the
15 completion of the manufacturing, to purchasers who transport in the
16 ordinary course of business the goods out of this state; as to such
17 persons the amount of tax with respect to such business is equal to
18 the value of the products manufactured or the gross proceeds derived
19 from such sales, multiplied by the rate of 0.138 percent. Sellers
20 must keep and preserve records for the period required by RCW
21 82.32.070 establishing that the goods were transported by the
22 purchaser in the ordinary course of business out of this state;

23 (c) (i) Except as provided otherwise in (c) (iii) of this
24 subsection, from July 1, 2025, until January 1, 2036, dairy products;
25 or selling dairy products that the person has manufactured to
26 purchasers who either transport in the ordinary course of business
27 the goods out of state or purchasers who use such dairy products as
28 an ingredient or component in the manufacturing of a dairy product;
29 as to such persons the tax imposed is equal to the value of the
30 products manufactured or the gross proceeds derived from such sales
31 multiplied by the rate of 0.138 percent. Sellers must keep and
32 preserve records for the period required by RCW 82.32.070
33 establishing that the goods were transported by the purchaser in the
34 ordinary course of business out of this state or sold to a
35 manufacturer for use as an ingredient or component in the
36 manufacturing of a dairy product.

37 (ii) For the purposes of this subsection (1) (c), "dairy products"
38 means:

39 (A) Products, not including any (~~marijuana-infused~~) cannabis-
40 infused product, that as of September 20, 2001, are identified in 21

1 C.F.R., chapter 1, parts 131, 133, and 135, including by-products
2 from the manufacturing of the dairy products, such as whey and
3 casein; and

4 (B) Products comprised of not less than seventy percent dairy
5 products that qualify under (c)(ii)(A) of this subsection, measured
6 by weight or volume.

7 (iii) The preferential tax rate provided to taxpayers under this
8 subsection (1)(c) does not apply to sales of dairy products on or
9 after July 1, 2023, where a dairy product is used by the purchaser as
10 an ingredient or component in the manufacturing in Washington of a
11 dairy product;

12 (d)(i) Beginning July 1, 2025, fruits or vegetables by canning,
13 preserving, freezing, processing, or dehydrating fresh fruits or
14 vegetables, or selling at wholesale fruits or vegetables manufactured
15 by the seller by canning, preserving, freezing, processing, or
16 dehydrating fresh fruits or vegetables and sold to purchasers who
17 transport in the ordinary course of business the goods out of this
18 state; as to such persons the amount of tax with respect to such
19 business is equal to the value of the products manufactured or the
20 gross proceeds derived from such sales multiplied by the rate of
21 0.138 percent. Sellers must keep and preserve records for the period
22 required by RCW 82.32.070 establishing that the goods were
23 transported by the purchaser in the ordinary course of business out
24 of this state.

25 (ii) For purposes of this subsection (1)(d), "fruits" and
26 "vegetables" do not include (~~marijuana~~) cannabis, useable
27 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
28 products; and

29 (e) Wood biomass fuel; as to such persons the amount of tax with
30 respect to the business is equal to the value of wood biomass fuel
31 manufactured, multiplied by the rate of 0.138 percent. For the
32 purposes of this section, "wood biomass fuel" means a liquid or
33 gaseous fuel that is produced from lignocellulosic feedstocks,
34 including wood, forest, or field residue and dedicated energy crops,
35 and that does not include wood treated with chemical preservations
36 such as creosote, pentachlorophenol, or copper-chrome-arsenic.

37 (2) Upon every person engaging within this state in the business
38 of splitting or processing dried peas; as to such persons the amount
39 of tax with respect to such business is equal to the value of the
40 peas split or processed, multiplied by the rate of 0.138 percent.

1 (3) Upon every nonprofit corporation and nonprofit association
2 engaging within this state in research and development, as to such
3 corporations and associations, the amount of tax with respect to such
4 activities is equal to the gross income derived from such activities
5 multiplied by the rate of 0.484 percent.

6 (4) Upon every person engaging within this state in the business
7 of slaughtering, breaking and/or processing perishable meat products
8 and/or selling the same at wholesale only and not at retail; as to
9 such persons the tax imposed is equal to the gross proceeds derived
10 from such sales multiplied by the rate of 0.138 percent.

11 (5) (a) Upon every person engaging within this state in the
12 business of acting as a travel agent or tour operator and whose
13 annual taxable amount for the prior calendar year was two hundred
14 fifty thousand dollars or less; as to such persons the amount of the
15 tax with respect to such activities is equal to the gross income
16 derived from such activities multiplied by the rate of 0.275 percent.

17 (b) Upon every person engaging within this state in the business
18 of acting as a travel agent or tour operator and whose annual taxable
19 amount for the calendar year was more than two hundred fifty thousand
20 dollars; as to such persons the amount of the tax with respect to
21 such activities is equal to the gross income derived from such
22 activities multiplied by the rate of 0.275 percent through June 30,
23 2019, and 0.9 percent beginning July 1, 2019.

24 (6) Upon every person engaging within this state in business as
25 an international steamship agent, international customs house broker,
26 international freight forwarder, vessel and/or cargo charter broker
27 in foreign commerce, and/or international air cargo agent; as to such
28 persons the amount of the tax with respect to only international
29 activities is equal to the gross income derived from such activities
30 multiplied by the rate of 0.275 percent.

31 (7) Upon every person engaging within this state in the business
32 of stevedoring and associated activities pertinent to the movement of
33 goods and commodities in waterborne interstate or foreign commerce;
34 as to such persons the amount of tax with respect to such business is
35 equal to the gross proceeds derived from such activities multiplied
36 by the rate of 0.275 percent. Persons subject to taxation under this
37 subsection are exempt from payment of taxes imposed by chapter 82.16
38 RCW for that portion of their business subject to taxation under this
39 subsection. Stevedoring and associated activities pertinent to the
40 conduct of goods and commodities in waterborne interstate or foreign

1 commerce are defined as all activities of a labor, service or
2 transportation nature whereby cargo may be loaded or unloaded to or
3 from vessels or barges, passing over, onto or under a wharf, pier, or
4 similar structure; cargo may be moved to a warehouse or similar
5 holding or storage yard or area to await further movement in import
6 or export or may move to a consolidation freight station and be
7 stuffed, unstuffed, containerized, separated or otherwise segregated
8 or aggregated for delivery or loaded on any mode of transportation
9 for delivery to its consignee. Specific activities included in this
10 definition are: Wharfage, handling, loading, unloading, moving of
11 cargo to a convenient place of delivery to the consignee or a
12 convenient place for further movement to export mode; documentation
13 services in connection with the receipt, delivery, checking, care,
14 custody and control of cargo required in the transfer of cargo;
15 imported automobile handling prior to delivery to consignee; terminal
16 stevedoring and incidental vessel services, including but not limited
17 to plugging and unplugging refrigerator service to containers,
18 trailers, and other refrigerated cargo receptacles, and securing ship
19 hatch covers.

20 (8) (a) Upon every person engaging within this state in the
21 business of disposing of low-level waste, as defined in RCW
22 (~~(43.145.010)~~) 70A.380.010; as to such persons the amount of the tax
23 with respect to such business is equal to the gross income of the
24 business, excluding any fees imposed under chapter (~~(43.200)~~) 70A.384
25 RCW, multiplied by the rate of 3.3 percent.

26 (b) If the gross income of the taxpayer is attributable to
27 activities both within and without this state, the gross income
28 attributable to this state must be determined in accordance with the
29 methods of apportionment required under RCW 82.04.460.

30 (9) Upon every person engaging within this state as an insurance
31 producer or title insurance agent licensed under chapter 48.17 RCW or
32 a surplus line broker licensed under chapter 48.15 RCW; as to such
33 persons, the amount of the tax with respect to such licensed
34 activities is equal to the gross income of such business multiplied
35 by the rate of 0.484 percent.

36 (10) Upon every person engaging within this state in business as
37 a hospital, as defined in chapter 70.41 RCW, that is operated as a
38 nonprofit corporation or by the state or any of its political
39 subdivisions, as to such persons, the amount of tax with respect to
40 such activities is equal to the gross income of the business

1 multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5
2 percent thereafter.

3 (11)(a) Beginning October 1, 2005, upon every person engaging
4 within this state in the business of manufacturing commercial
5 airplanes, or components of such airplanes, or making sales, at
6 retail or wholesale, of commercial airplanes or components of such
7 airplanes, manufactured by the seller, as to such persons the amount
8 of tax with respect to such business is, in the case of
9 manufacturers, equal to the value of the product manufactured and the
10 gross proceeds of sales of the product manufactured, or in the case
11 of processors for hire, equal to the gross income of the business,
12 multiplied by the rate of:

13 (i) 0.4235 percent from October 1, 2005, through June 30, 2007;

14 (ii) 0.2904 percent beginning July 1, 2007, through March 31,
15 2020; and

16 (iii) Beginning April 1, 2020, 0.484 percent, subject to any
17 reduction required under (e) of this subsection (11). The tax rate in
18 this subsection (11)(a)(iii) applies to all business activities
19 described in this subsection (11)(a).

20 (b) Beginning July 1, 2008, upon every person who is not eligible
21 to report under the provisions of (a) of this subsection (11) and is
22 engaging within this state in the business of manufacturing tooling
23 specifically designed for use in manufacturing commercial airplanes
24 or components of such airplanes, or making sales, at retail or
25 wholesale, of such tooling manufactured by the seller, as to such
26 persons the amount of tax with respect to such business is, in the
27 case of manufacturers, equal to the value of the product manufactured
28 and the gross proceeds of sales of the product manufactured, or in
29 the case of processors for hire, be equal to the gross income of the
30 business, multiplied by the rate of:

31 (i) 0.2904 percent through March 31, 2020; and

32 (ii) Beginning April 1, 2020, the following rates, which are
33 subject to any reduction required under (e) of this subsection (11):

34 (A) The rate under RCW 82.04.250(1) on the business of making
35 retail sales of tooling specifically designed for use in
36 manufacturing commercial airplanes or components of such airplanes;
37 and

38 (B) 0.484 percent on all other business activities described in
39 this subsection (11)(b).

1 (c) For the purposes of this subsection (11), "commercial
2 airplane" and "component" have the same meanings as provided in RCW
3 82.32.550.

4 (d)(i) In addition to all other requirements under this title, a
5 person reporting under the tax rate provided in this subsection (11)
6 must file a complete annual tax performance report with the
7 department under RCW 82.32.534. However, this requirement does not
8 apply to persons reporting under the tax rate in (a)(iii) of this
9 subsection (11), so long as that rate remains 0.484 percent, or under
10 any of the tax rates in (b)(ii)(A) and (B) of this subsection (11),
11 so long as those tax rates remain the rate imposed pursuant to RCW
12 82.04.250(1) and 0.484 percent, respectively.

13 (ii) Nothing in (d)(i) of this subsection (11) may be construed
14 as affecting the obligation of a person reporting under a tax rate
15 provided in this subsection (11) to file a complete annual tax
16 performance report with the department under RCW 82.32.534: (A)
17 Pursuant to another provision of this title as a result of claiming a
18 tax credit or exemption; or (B) pursuant to (d)(i) of this subsection
19 (11) as a result of claiming the tax rates in (a)(ii) or (b)(i) of
20 this subsection (11) for periods ending before April 1, 2020.

21 (e)(i) After March 31, 2021, the tax rates under (a)(iii) and
22 (b)(ii) of this subsection (11) must be reduced to 0.357 percent
23 provided the conditions in RCW 82.04.2602 are met. The effective date
24 of the rates authorized under this subsection (11)(e) must occur on
25 the first day of the next calendar quarter that is at least sixty
26 days after the department receives the last of the two written
27 notices pursuant to RCW 82.04.2602 (3) and (4).

28 (ii) Both a significant commercial airplane manufacturer
29 separately and the rest of the aerospace industry as a whole,
30 receiving the rate of 0.357 percent under this subsection (11)(e) are
31 subject to the aerospace apprenticeship utilization rates required
32 under RCW 49.04.220 by April 1, 2026, or five years after the
33 effective date of the 0.357 percent rate authorized under this
34 subsection (11)(e), whichever is later, as determined by the
35 department of labor and industries.

36 (iii) The provisions of RCW 82.32.805 and 82.32.808 do not apply
37 to this subsection (11)(e).

38 (f)(i) Except as provided in (f)(ii) of this subsection (11),
39 this subsection (11) does not apply on and after July 1, 2040.

1 (ii) With respect to the manufacturing of commercial airplanes or
2 making sales, at retail or wholesale, of commercial airplanes, this
3 subsection (11) does not apply on and after July 1st of the year in
4 which the department makes a determination that any final assembly or
5 wing assembly of any version or variant of a commercial airplane that
6 is the basis of a siting of a significant commercial airplane
7 manufacturing program in the state under RCW 82.32.850 has been sited
8 outside the state of Washington. This subsection (11)(f)(ii) only
9 applies to the manufacturing or sale of commercial airplanes that are
10 the basis of a siting of a significant commercial airplane
11 manufacturing program in the state under RCW 82.32.850. This
12 subsection (11)(f)(ii) continues to apply during the time that a
13 person is subject to the tax rate in (a)(iii) of this subsection
14 (11).

15 (g) For the purposes of this subsection, "a significant
16 commercial airplane manufacturer" means a manufacturer of commercial
17 airplanes with at least fifty thousand full-time employees in
18 Washington as of January 1, 2021.

19 (12)(a) Until July 1, 2045, upon every person engaging within
20 this state in the business of extracting timber or extracting for
21 hire timber; as to such persons the amount of tax with respect to the
22 business is, in the case of extractors, equal to the value of
23 products, including by-products, extracted, or in the case of
24 extractors for hire, equal to the gross income of the business,
25 multiplied by the rate of 0.4235 percent from July 1, 2006, through
26 June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30,
27 2045.

28 (b) Until July 1, 2045, upon every person engaging within this
29 state in the business of manufacturing or processing for hire: (i)
30 Timber into timber products or wood products; (ii) timber products
31 into other timber products or wood products; or (iii) products
32 defined in RCW 19.27.570(1); as to such persons the amount of the tax
33 with respect to the business is, in the case of manufacturers, equal
34 to the value of products, including by-products, manufactured, or in
35 the case of processors for hire, equal to the gross income of the
36 business, multiplied by the rate of 0.4235 percent from July 1, 2006,
37 through June 30, 2007, and 0.2904 percent from July 1, 2007, through
38 June 30, 2045.

39 (c) Until July 1, 2045, upon every person engaging within this
40 state in the business of selling at wholesale: (i) Timber extracted

1 by that person; (ii) timber products manufactured by that person from
2 timber or other timber products; (iii) wood products manufactured by
3 that person from timber or timber products; or (iv) products defined
4 in RCW 19.27.570(1) manufactured by that person; as to such persons
5 the amount of the tax with respect to the business is equal to the
6 gross proceeds of sales of the timber, timber products, wood
7 products, or products defined in RCW 19.27.570(1) multiplied by the
8 rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and
9 0.2904 percent from July 1, 2007, through June 30, 2045.

10 (d) Until July 1, 2045, upon every person engaging within this
11 state in the business of selling standing timber; as to such persons
12 the amount of the tax with respect to the business is equal to the
13 gross income of the business multiplied by the rate of 0.2904
14 percent. For purposes of this subsection (12)(d), "selling standing
15 timber" means the sale of timber apart from the land, where the buyer
16 is required to sever the timber within thirty months from the date of
17 the original contract, regardless of the method of payment for the
18 timber and whether title to the timber transfers before, upon, or
19 after severance.

20 (e) For purposes of this subsection, the following definitions
21 apply:

22 (i) "Biocomposite surface products" means surface material
23 products containing, by weight or volume, more than fifty percent
24 recycled paper and that also use nonpetroleum-based phenolic resin as
25 a bonding agent.

26 (ii) "Paper and paper products" means products made of interwoven
27 cellulosic fibers held together largely by hydrogen bonding. "Paper
28 and paper products" includes newsprint; office, printing, fine, and
29 pressure-sensitive papers; paper napkins, towels, and toilet tissue;
30 kraft bag, construction, and other kraft industrial papers;
31 paperboard, liquid packaging containers, containerboard, corrugated,
32 and solid-fiber containers including linerboard and corrugated
33 medium; and related types of cellulosic products containing
34 primarily, by weight or volume, cellulosic materials. "Paper and
35 paper products" does not include books, newspapers, magazines,
36 periodicals, and other printed publications, advertising materials,
37 calendars, and similar types of printed materials.

38 (iii) "Recycled paper" means paper and paper products having
39 fifty percent or more of their fiber content that comes from
40 postconsumer waste. For purposes of this subsection (12)(e)(iii),

1 "postconsumer waste" means a finished material that would normally be
2 disposed of as solid waste, having completed its life cycle as a
3 consumer item.

4 (iv) "Timber" means forest trees, standing or down, on privately
5 or publicly owned land. "Timber" does not include Christmas trees
6 that are cultivated by agricultural methods or short-rotation
7 hardwoods as defined in RCW 84.33.035.

8 (v) "Timber products" means:

9 (A) Logs, wood chips, sawdust, wood waste, and similar products
10 obtained wholly from the processing of timber, short-rotation
11 hardwoods as defined in RCW 84.33.035, or both;

12 (B) Pulp, including market pulp and pulp derived from recovered
13 paper or paper products; and

14 (C) Recycled paper, but only when used in the manufacture of
15 biocomposite surface products.

16 (vi) "Wood products" means paper and paper products; dimensional
17 lumber; engineered wood products such as particleboard, oriented
18 strand board, medium density fiberboard, and plywood; wood doors;
19 wood windows; and biocomposite surface products.

20 (f) Except for small harvesters as defined in RCW 84.33.035, a
21 person reporting under the tax rate provided in this subsection (12)
22 must file a complete annual tax performance report with the
23 department under RCW 82.32.534.

24 (g) Nothing in this subsection (12) may be construed to affect
25 the taxation of any activity defined as a retail sale in RCW
26 82.04.050(2) (b) or (c), defined as a wholesale sale in RCW
27 82.04.060(2), or taxed under RCW 82.04.280(1)(g).

28 (13) Upon every person engaging within this state in inspecting,
29 testing, labeling, and storing canned salmon owned by another person,
30 as to such persons, the amount of tax with respect to such activities
31 is equal to the gross income derived from such activities multiplied
32 by the rate of 0.484 percent.

33 (14)(a) Upon every person engaging within this state in the
34 business of printing a newspaper, publishing a newspaper, or both,
35 the amount of tax on such business is equal to the gross income of
36 the business multiplied by the rate of 0.35 percent until July 1,
37 2024, and 0.484 percent thereafter.

38 (b) A person reporting under the tax rate provided in this
39 subsection (14) must file a complete annual tax performance report
40 with the department under RCW 82.32.534.

1 **Sec. 139.** RCW 82.04.331 and 2014 c 140 s 8 are each amended to
2 read as follows:

3 (1) This chapter does not apply to amounts received by a person
4 engaging within this state in the business of: (a) Making wholesale
5 sales to farmers of seed conditioned for use in planting and not
6 packaged for retail sale; or (b) conditioning seed for planting owned
7 by others.

8 (2) For the purposes of this section, "seed" means seed potatoes
9 and all other "agricultural seed" as defined in RCW 15.49.011. "Seed"
10 does not include "flower seeds" or "vegetable seeds" as defined in
11 RCW 15.49.011, or any other seeds or propagative portions of plants
12 used to grow (~~marijuana~~) cannabis, ornamental flowers, or any type
13 of bush, moss, fern, shrub, or tree.

14 **Sec. 140.** RCW 82.04.4266 and 2020 c 139 s 5 are each amended to
15 read as follows:

16 (1) This chapter does not apply to the value of products or the
17 gross proceeds of sales derived from:

18 (a) Manufacturing fruits or vegetables by canning, preserving,
19 freezing, processing, or dehydrating fresh fruits or vegetables; or

20 (b) Selling at wholesale fruits or vegetables manufactured by the
21 seller by canning, preserving, freezing, processing, or dehydrating
22 fresh fruits or vegetables and sold to purchasers who transport in
23 the ordinary course of business the goods out of this state. A person
24 taking an exemption under this subsection (1)(b) must keep and
25 preserve records for the period required by RCW 82.32.070
26 establishing that the goods were transported by the purchaser in the
27 ordinary course of business out of this state.

28 (2) For purposes of this section, "fruits" and "vegetables" do
29 not include (~~marijuana~~) cannabis, useable (~~marijuana, or~~
30 ~~marijuana-infused~~) cannabis, or cannabis-infused products.

31 (3) A person claiming the exemption provided in this section must
32 file a complete annual tax performance report with the department
33 under RCW 82.32.534.

34 (4) This section expires July 1, 2025.

35 **Sec. 141.** RCW 82.04.756 and 2015 c 70 s 40 are each amended to
36 read as follows:

37 (1) This chapter does not apply to any cooperative in respect to
38 growing (~~marijuana~~) cannabis, or manufacturing (~~marijuana~~)

1 cannabis concentrates, useable (~~(marijuana, or marijuana-infused)~~)
2 cannabis, or cannabis-infused products, as those terms are defined in
3 RCW 69.50.101.

4 (2) The tax preference authorized in this section is not subject
5 to the provisions of RCW 82.32.805 and 82.32.808.

6 **Sec. 142.** RCW 82.08.010 and 2019 c 8 s 105 are each amended to
7 read as follows:

8 For the purposes of this chapter:

9 (1)(a)(i) "Selling price" includes "sales price." "Sales price"
10 means the total amount of consideration, except separately stated
11 trade-in property of like kind, including cash, credit, property, and
12 services, for which tangible personal property, extended warranties,
13 digital goods, digital codes, digital automated services, or other
14 services or anything else defined as a "retail sale" under RCW
15 82.04.050 are sold, leased, or rented, valued in money, whether
16 received in money or otherwise. No deduction from the total amount of
17 consideration is allowed for the following: (A) The seller's cost of
18 the property sold; (B) the cost of materials used, labor or service
19 cost, interest, losses, all costs of transportation to the seller,
20 all taxes imposed on the seller, and any other expense of the seller;
21 (C) charges by the seller for any services necessary to complete the
22 sale, other than delivery and installation charges; (D) delivery
23 charges; and (E) installation charges.

24 (ii) When tangible personal property is rented or leased under
25 circumstances that the consideration paid does not represent a
26 reasonable rental for the use of the articles so rented or leased,
27 the "selling price" must be determined as nearly as possible
28 according to the value of such use at the places of use of similar
29 products of like quality and character under such rules as the
30 department may prescribe;

31 (b) "Selling price" or "sales price" does not include: Discounts,
32 including cash, term, or coupons that are not reimbursed by a third
33 party that are allowed by a seller and taken by a purchaser on a
34 sale; interest, financing, and carrying charges from credit extended
35 on the sale of tangible personal property, extended warranties,
36 digital goods, digital codes, digital automated services, or other
37 services or anything else defined as a retail sale in RCW 82.04.050,
38 if the amount is separately stated on the invoice, bill of sale, or
39 similar document given to the purchaser; and any taxes legally

1 imposed directly on the consumer that are separately stated on the
2 invoice, bill of sale, or similar document given to the purchaser;

3 (c) "Selling price" or "sales price" includes consideration
4 received by the seller from a third party if:

5 (i) The seller actually receives consideration from a party other
6 than the purchaser, and the consideration is directly related to a
7 price reduction or discount on the sale;

8 (ii) The seller has an obligation to pass the price reduction or
9 discount through to the purchaser;

10 (iii) The amount of the consideration attributable to the sale is
11 fixed and determinable by the seller at the time of the sale of the
12 item to the purchaser; and

13 (iv) One of the criteria in this subsection (1)(c)(iv) is met:

14 (A) The purchaser presents a coupon, certificate, or other
15 documentation to the seller to claim a price reduction or discount
16 where the coupon, certificate, or documentation is authorized,
17 distributed, or granted by a third party with the understanding that
18 the third party will reimburse any seller to whom the coupon,
19 certificate, or documentation is presented;

20 (B) The purchaser identifies himself or herself to the seller as
21 a member of a group or organization entitled to a price reduction or
22 discount, however a "preferred customer" card that is available to
23 any patron does not constitute membership in such a group; or

24 (C) The price reduction or discount is identified as a third
25 party price reduction or discount on the invoice received by the
26 purchaser or on a coupon, certificate, or other documentation
27 presented by the purchaser;

28 (2)(a)(i) "Seller" means every person, including the state and
29 its departments and institutions, making sales at retail or retail
30 sales to a buyer, purchaser, or consumer, whether as agent, broker,
31 or principal, except as otherwise provided in this subsection (2).

32 (ii) "Seller" includes marketplace facilitators, whether making
33 sales in their own right or facilitating sales on behalf of
34 marketplace sellers.

35 (b)(i) "Seller" does not include:

36 (A) The state and its departments and institutions when making
37 sales to the state and its departments and institutions; or

38 (B) A professional employer organization when a covered employee
39 coemployed with the client under the terms of a professional employer
40 agreement engages in activities that constitute a sale at retail that

1 is subject to the tax imposed by this chapter. In such cases, the
2 client, and not the professional employer organization, is deemed to
3 be the seller and is responsible for collecting and remitting the tax
4 imposed by this chapter.

5 (ii) For the purposes of this subsection (2)(b), the terms
6 "client," "covered employee," "professional employer agreement," and
7 "professional employer organization" have the same meanings as in RCW
8 82.04.540;

9 (3) "Buyer," "purchaser," and "consumer" include, without
10 limiting the scope hereof, every individual, receiver, assignee,
11 trustee in bankruptcy, trust, estate, firm, copartnership, joint
12 venture, club, company, joint stock company, business trust,
13 corporation, association, society, or any group of individuals acting
14 as a unit, whether mutual, cooperative, fraternal, nonprofit, or
15 otherwise, municipal corporation, quasi municipal corporation, and
16 also the state, its departments and institutions and all political
17 subdivisions thereof, irrespective of the nature of the activities
18 engaged in or functions performed, and also the United States or any
19 instrumentality thereof;

20 (4) "Delivery charges" means charges by the seller of personal
21 property or services for preparation and delivery to a location
22 designated by the purchaser of personal property or services
23 including, but not limited to, transportation, shipping, postage,
24 handling, crating, and packing;

25 (5) "Direct mail" means printed material delivered or distributed
26 by United States mail or other delivery service to a mass audience or
27 to addressees on a mailing list provided by the purchaser or at the
28 direction of the purchaser when the cost of the items are not billed
29 directly to the recipients. "Direct mail" includes tangible personal
30 property supplied directly or indirectly by the purchaser to the
31 direct mail seller for inclusion in the package containing the
32 printed material. "Direct mail" does not include multiple items of
33 printed material delivered to a single address;

34 (6) The meaning attributed in chapter 82.04 RCW to the terms "tax
35 year," "taxable year," "person," "company," "sale," "sale at
36 wholesale," "wholesale," "business," "engaging in business," "cash
37 discount," "successor," "consumer," "in this state," "within this
38 state," (~~("marijuana,")~~) "cannabis," "useable (~~("marijuana,"~~ and
39 ~~"marijuana-infused")~~) cannabis," and "cannabis-infused products"
40 applies equally to the provisions of this chapter;

1 (7) For the purposes of the taxes imposed under this chapter and
2 under chapter 82.12 RCW, "tangible personal property" means personal
3 property that can be seen, weighed, measured, felt, or touched, or
4 that is in any other manner perceptible to the senses. Tangible
5 personal property includes electricity, water, gas, steam, and
6 prewritten computer software;

7 (8) "Extended warranty" has the same meaning as in RCW
8 82.04.050(7);

9 (9) The definitions in RCW 82.04.192 apply to this chapter;

10 (10) For the purposes of the taxes imposed under this chapter and
11 chapter 82.12 RCW, whenever the terms "property" or "personal
12 property" are used, those terms must be construed to include digital
13 goods and digital codes unless:

14 (a) It is clear from the context that the term "personal
15 property" is intended only to refer to tangible personal property;

16 (b) It is clear from the context that the term "property" is
17 intended only to refer to tangible personal property, real property,
18 or both; or

19 (c) To construe the term "property" or "personal property" as
20 including digital goods and digital codes would yield unlikely,
21 absurd, or strained consequences; and

22 (11) "Retail sale" or "sale at retail" means any sale, lease, or
23 rental for any purpose other than for resale, sublease, or subrent.

24 (12) The terms "agriculture," "farming," "horticulture,"
25 "horticultural," and "horticultural product" may not be construed to
26 include or relate to ((marijuana)) cannabis, useable ((marijuana, or
27 ~~marijuana-infused~~) cannabis, or cannabis-infused products unless the
28 applicable term is explicitly defined to include ((marijuana))
29 cannabis, useable ((marijuana, or ~~marijuana-infused~~) cannabis, or
30 cannabis-infused products.

31 (13)(a) "Affiliated person" means a person that, with respect to
32 another person:

33 (i) Has an ownership interest of more than five percent, whether
34 direct or indirect, in the other person; or

35 (ii) Is related to the other person because a third person, or
36 group of third persons who are affiliated persons with respect to
37 each other, holds an ownership interest of more than five percent,
38 whether direct or indirect, in the related persons.

39 (b) For purposes of this subsection (13):

1 (i) "Ownership interest" means the possession of equity in the
2 capital, the stock, or the profits of the other person; and

3 (ii) An indirect ownership interest in a person is an ownership
4 interest in an entity that has an ownership interest in the person or
5 in an entity that has an indirect ownership interest in the person.

6 (14) "Marketplace" means a physical or electronic place,
7 including, but not limited to, a store, a booth, an internet web
8 site, a catalog or a dedicated sales software application, where
9 tangible personal property, digital codes and digital products, or
10 services are offered for sale.

11 (15)(a) "Marketplace facilitator" means a person that:

12 (i) Contracts with sellers to facilitate for consideration,
13 regardless of whether deducted as fees from the transaction, the sale
14 of the seller's products through a marketplace owned or operated by
15 the person;

16 (ii) Engages directly or indirectly, through one or more
17 affiliated persons, in transmitting or otherwise communicating the
18 offer or acceptance between the buyer and seller. For purposes of
19 this subsection, mere advertising does not constitute transmitting or
20 otherwise communicating the offer or acceptance between the buyer and
21 seller; and

22 (iii) Engages directly or indirectly, through one or more
23 affiliated persons, in any of the following activities with respect
24 to the seller's products:

25 (A) Payment processing services;

26 (B) Fulfillment or storage services;

27 (C) Listing products for sale;

28 (D) Setting prices;

29 (E) Branding sales as those of the marketplace facilitator;

30 (F) Taking orders; or

31 (G) Providing customer service or accepting or assisting with
32 returns or exchanges.

33 (b)(i) "Marketplace facilitator" does not include:

34 (A) A person who provides internet advertising services,
35 including listing products for sale, so long as the person does not
36 also engage in the activity described in (a)(ii) of this subsection
37 (15) in addition to any of the activities described in (a)(iii) of
38 this subsection (15); or

39 (B) A person with respect to the provision of travel agency
40 services or the operation of a marketplace or that portion of a

1 marketplace that enables consumers to purchase transient lodging
2 accommodations in a hotel or other commercial transient lodging
3 facility.

4 (ii) The exclusion in this subsection (15)(b) does not apply to a
5 marketplace or that portion of a marketplace that facilitates the
6 retail sale of transient lodging accommodations in homes, apartments,
7 cabins, or other residential dwelling units.

8 (iii) For purposes of this subsection (15)(b), the following
9 definitions apply:

10 (A) "Hotel" has the same meaning as in RCW 19.48.010.

11 (B) "Travel agency services" means arranging or booking, for a
12 commission, fee or other consideration, vacation or travel packages,
13 rental car or other travel reservations or accommodations, tickets
14 for domestic or foreign travel by air, rail, ship, bus, or other
15 medium of transportation, or hotel or other lodging accommodations.

16 (16) "Marketplace seller" means a seller that makes retail sales
17 through any marketplace operated by a marketplace facilitator,
18 regardless of whether the seller is required to be registered with
19 the department under RCW 82.32.030.

20 (17) "Remote seller" means any seller, including a marketplace
21 facilitator, who does not have a physical presence in this state and
22 makes retail sales to purchasers or facilitates retail sales on
23 behalf of marketplace sellers.

24 **Sec. 143.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to
25 read as follows:

26 (1) There is levied and collected a tax equal to six and five-
27 tenths percent of the selling price on each retail sale in this state
28 of:

29 (a) Tangible personal property, unless the sale is specifically
30 excluded from the RCW 82.04.050 definition of retail sale;

31 (b) Digital goods, digital codes, and digital automated services,
32 if the sale is included within the RCW 82.04.050 definition of retail
33 sale;

34 (c) Services, other than digital automated services, included
35 within the RCW 82.04.050 definition of retail sale;

36 (d) Extended warranties to consumers; and

37 (e) Anything else, the sale of which is included within the RCW
38 82.04.050 definition of retail sale.

1 (2) There is levied and collected an additional tax on each
2 retail car rental, regardless of whether the vehicle is licensed in
3 this state, equal to five and nine-tenths percent of the selling
4 price. The revenue collected under this subsection must be deposited
5 in the multimodal transportation account created in RCW 47.66.070.

6 (3) Beginning July 1, 2003, there is levied and collected an
7 additional tax of three-tenths of one percent of the selling price on
8 each retail sale of a motor vehicle in this state, other than retail
9 car rentals taxed under subsection (2) of this section. The revenue
10 collected under this subsection must be deposited in the multimodal
11 transportation account created in RCW 47.66.070.

12 (4) For purposes of subsection (3) of this section, "motor
13 vehicle" has the meaning provided in RCW 46.04.320, but does not
14 include:

15 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180
16 and 46.04.181, unless the farm tractor or farm vehicle is for use in
17 the production of (~~marijuana~~) cannabis;

18 (b) Off-road vehicles as defined in RCW 46.04.365;

19 (c) Nonhighway vehicles as defined in RCW 46.09.310; and

20 (d) Snowmobiles as defined in RCW 46.04.546.

21 (5) Beginning on December 8, 2005, 0.16 percent of the taxes
22 collected under subsection (1) of this section must be dedicated to
23 funding comprehensive performance audits required under RCW
24 43.09.470. The revenue identified in this subsection must be
25 deposited in the performance audits of government account created in
26 RCW 43.09.475.

27 (6) The taxes imposed under this chapter apply to successive
28 retail sales of the same property.

29 (7) The rates provided in this section apply to taxes imposed
30 under chapter 82.12 RCW as provided in RCW 82.12.020.

31 **Sec. 144.** RCW 82.08.02565 and 2015 3rd sp.s. c 5 s 301 are each
32 amended to read as follows:

33 (1)(a) The tax levied by RCW 82.08.020 does not apply to sales to
34 a manufacturer or processor for hire of machinery and equipment used
35 directly in a manufacturing operation or research and development
36 operation, to sales to a person engaged in testing for a manufacturer
37 or processor for hire of machinery and equipment used directly in a
38 testing operation, or to sales of or charges made for labor and

1 services rendered in respect to installing, repairing, cleaning,
2 altering, or improving the machinery and equipment.

3 (b) Except as provided in (c) of this subsection, sellers making
4 tax-exempt sales under this section must obtain from the purchaser an
5 exemption certificate in a form and manner prescribed by the
6 department by rule. The seller must retain a copy of the certificate
7 for the seller's files.

8 (c)(i) The exemption under this section is in the form of a
9 remittance for a gas distribution business, as defined in RCW
10 82.16.010, claiming the exemption for machinery and equipment used
11 for the production of compressed natural gas or liquefied natural gas
12 for use as a transportation fuel.

13 (ii) A gas distribution business claiming an exemption from state
14 and local tax in the form of a remittance under this section must pay
15 the tax under RCW 82.08.020 and all applicable local sales taxes.
16 Beginning July 1, 2017, the gas distribution business may then apply
17 to the department for remittance of state and local sales and use
18 taxes. A gas distribution business may not apply for a remittance
19 more frequently than once a quarter. The gas distribution business
20 must specify the amount of exempted tax claimed and the qualifying
21 purchases for which the exemption is claimed. The gas distribution
22 business must retain, in adequate detail, records to enable the
23 department to determine whether the business is entitled to an
24 exemption under this section, including: Invoices; proof of tax paid;
25 and documents describing the machinery and equipment.

26 (iii) The department must determine eligibility under this
27 section based on the information provided by the gas distribution
28 business, which is subject to audit verification by the department.
29 The department must on a quarterly basis remit exempted amounts to
30 qualifying businesses who submitted applications during the previous
31 quarter.

32 (iv) Beginning July 1, 2028, a gas distribution business may not
33 apply for a refund under this section or RCW 82.12.02565.

34 (2) For purposes of this section and RCW 82.12.02565:

35 (a) "Machinery and equipment" means industrial fixtures, devices,
36 and support facilities, and tangible personal property that becomes
37 an ingredient or component thereof, including repair parts and
38 replacement parts. "Machinery and equipment" includes pollution
39 control equipment installed and used in a manufacturing operation,
40 testing operation, or research and development operation to prevent

1 air pollution, water pollution, or contamination that might otherwise
2 result from the manufacturing operation, testing operation, or
3 research and development operation. "Machinery and equipment" also
4 includes digital goods.

5 (b) "Machinery and equipment" does not include:

6 (i) Hand-powered tools;

7 (ii) Property with a useful life of less than one year;

8 (iii) Buildings, other than machinery and equipment that is
9 permanently affixed to or becomes a physical part of a building; and

10 (iv) Building fixtures that are not integral to the manufacturing
11 operation, testing operation, or research and development operation
12 that are permanently affixed to and become a physical part of a
13 building, such as utility systems for heating, ventilation, air
14 conditioning, communications, plumbing, or electrical.

15 (c) Machinery and equipment is "used directly" in a manufacturing
16 operation, testing operation, or research and development operation
17 if the machinery and equipment:

18 (i) Acts upon or interacts with an item of tangible personal
19 property;

20 (ii) Conveys, transports, handles, or temporarily stores an item
21 of tangible personal property at the manufacturing site or testing
22 site;

23 (iii) Controls, guides, measures, verifies, aligns, regulates, or
24 tests tangible personal property at the site or away from the site;

25 (iv) Provides physical support for or access to tangible personal
26 property;

27 (v) Produces power for, or lubricates machinery and equipment;

28 (vi) Produces another item of tangible personal property for use
29 in the manufacturing operation, testing operation, or research and
30 development operation;

31 (vii) Places tangible personal property in the container,
32 package, or wrapping in which the tangible personal property is
33 normally sold or transported; or

34 (viii) Is integral to research and development as defined in RCW
35 82.63.010.

36 (d) "Manufacturer" means a person that qualifies as a
37 manufacturer under RCW 82.04.110. "Manufacturer" also includes a
38 person that:

39 (i) Prints newspapers or other materials; or

1 (ii) Is engaged in the development of prewritten computer
2 software that is not transferred to purchasers by means of tangible
3 storage media.

4 (e) "Manufacturing" means only those activities that come within
5 the definition of "to manufacture" in RCW 82.04.120 and are taxed as
6 manufacturing or processing for hire under chapter 82.04 RCW, or
7 would be taxed as such if such activity were conducted in this state
8 or if not for an exemption or deduction. "Manufacturing" also
9 includes printing newspapers or other materials. An activity is not
10 taxed as manufacturing or processing for hire under chapter 82.04 RCW
11 if the activity is within the purview of chapter 82.16 RCW.

12 (f) "Manufacturing operation" means the manufacturing of
13 articles, substances, or commodities for sale as tangible personal
14 property. A manufacturing operation begins at the point where the raw
15 materials enter the manufacturing site and ends at the point where
16 the processed material leaves the manufacturing site. With respect to
17 the production of class A or exceptional quality biosolids by a
18 wastewater treatment facility, the manufacturing operation begins at
19 the point where class B biosolids undergo additional processing to
20 achieve class A or exceptional quality standards. Notwithstanding
21 anything to the contrary in this section, the term also includes that
22 portion of a cogeneration project that is used to generate power for
23 consumption within the manufacturing site of which the cogeneration
24 project is an integral part. The term does not include the
25 preparation of food products on the premises of a person selling food
26 products at retail.

27 (g) "Cogeneration" means the simultaneous generation of
28 electrical energy and low-grade heat from the same fuel.

29 (h) "Research and development operation" means engaging in
30 research and development as defined in RCW 82.63.010 by a
31 manufacturer or processor for hire.

32 (i) "Testing" means activities performed to establish or
33 determine the properties, qualities, and limitations of tangible
34 personal property.

35 (j) "Testing operation" means the testing of tangible personal
36 property for a manufacturer or processor for hire. A testing
37 operation begins at the point where the tangible personal property
38 enters the testing site and ends at the point where the tangible
39 personal property leaves the testing site. The term also includes the
40 testing of tangible personal property for use in that portion of a

1 cogeneration project that is used to generate power for consumption
2 within the manufacturing site of which the cogeneration project is an
3 integral part. The term does not include the testing of tangible
4 personal property for use in the production of electricity by a light
5 and power business as defined in RCW 82.16.010 or the preparation of
6 food products on the premises of a person selling food products at
7 retail.

8 (3) This section does not apply (a) to sales of machinery and
9 equipment used directly in the manufacturing, research and
10 development, or testing of (~~marijuana~~) cannabis, useable
11 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
12 products, or (b) to sales of or charges made for labor and services
13 rendered in respect to installing, repairing, cleaning, altering, or
14 improving such machinery and equipment.

15 (4) The exemptions in this section do not apply to an ineligible
16 person. For purposes of this subsection, the following definitions
17 apply:

18 (a) "Affiliated group" means a group of two or more entities that
19 are either:

20 (i) Affiliated as defined in RCW 82.32.655; or

21 (ii) Permitted to file a consolidated return for federal income
22 tax purposes.

23 (b) "Ineligible person" means all members of an affiliated group
24 if all of the following apply:

25 (i) At least one member of the affiliated group was registered
26 with the department to do business in Washington state on or before
27 July 1, 1981;

28 (ii) As of August 1, 2015, the combined employment in this state
29 of the affiliated group exceeds forty thousand full-time and part-
30 time employees, based on data reported to the employment security
31 department by the affiliated group; and

32 (iii) The business activities of the affiliated group primarily
33 include development, sales, and licensing of computer software and
34 services.

35 **Sec. 145.** RCW 82.08.0257 and 2014 c 140 s 15 are each amended to
36 read as follows:

37 The tax levied by RCW 82.08.020 does not apply to auction sales
38 made by or through auctioneers of personal property (including
39 household goods) that has been used in conducting a farm activity,

1 when the seller thereof is a farmer as defined in RCW 82.04.213 and
2 the sale is held or conducted upon a farm and not otherwise. The
3 exemption in this section does not apply to personal property used by
4 the seller in the production of (~~marijuana~~) cannabis, useable
5 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
6 products.

7 **Sec. 146.** RCW 82.08.0273 and 2019 c 423 s 101 are each amended
8 to read as follows:

9 (1) Subject to the conditions and limitations in this section, an
10 exemption from the tax levied by RCW 82.08.020 in the form of a
11 remittance from the department is provided for sales to nonresidents
12 of this state of tangible personal property, digital goods, and
13 digital codes. The exemption only applies if:

14 (a) The property is for use outside this state;

15 (b) The purchaser is a bona fide resident of a province or
16 territory of Canada or a state, territory, or possession of the
17 United States, other than the state of Washington; and

18 (i) Such state, possession, territory, or province does not
19 impose, or have imposed on its behalf, a generally applicable retail
20 sales tax, use tax, value added tax, gross receipts tax on retailing
21 activities, or similar generally applicable tax, of three percent or
22 more; or

23 (ii) If imposing a tax described in (b)(i) of this subsection,
24 provides an exemption for sales to Washington residents by reason of
25 their residence; and

26 (c) The purchaser agrees, when requested, to grant the department
27 of revenue access to such records and other forms of verification at
28 the purchaser's place of residence to assure that such purchases are
29 not first used substantially in the state of Washington.

30 (2) Notwithstanding anything to the contrary in this chapter, if
31 parts or other tangible personal property are installed by the seller
32 during the course of repairing, cleaning, altering, or improving
33 motor vehicles, trailers, or campers and the seller makes a separate
34 charge for the tangible personal property, the tax levied by RCW
35 82.08.020 does not apply to the separately stated charge to a
36 nonresident purchaser for the tangible personal property but only if
37 the seller certifies in writing to the purchaser that the separately
38 stated charge does not exceed either the seller's current publicly
39 stated retail price for the tangible personal property or, if no

1 publicly stated retail price is available, the seller's cost for the
2 tangible personal property. However, the exemption provided by this
3 section does not apply if tangible personal property is installed by
4 the seller during the course of repairing, cleaning, altering, or
5 improving motor vehicles, trailers, or campers and the seller makes a
6 single nonitemized charge for providing the tangible personal
7 property and service. All of the provisions in subsections (1) and
8 (3) through (7) of this section apply to this subsection.

9 (3) (a) Any person claiming exemption from retail sales tax under
10 the provisions of this section must pay the state and local sales tax
11 to the seller at the time of purchase and then request a remittance
12 from the department in accordance with this subsection and subsection
13 (4) of this section. A request for remittance must include proof of
14 the person's status as a nonresident at the time of the purchase for
15 which a remittance is requested. The request for a remittance must
16 also include any additional information and documentation as required
17 by the department, which may include a description of the item
18 purchased for which a remittance is requested, the sales price of the
19 item, the amount of sales tax paid on the item, the date of the
20 purchase, the name of the seller and the physical address where the
21 sale took place, and copies of sales receipts showing the qualified
22 purchases.

23 (b) Acceptable proof of a nonresident person's status includes
24 one piece of identification such as a valid driver's license from the
25 jurisdiction in which the out-of-state residency is claimed or a
26 valid identification card which has a photograph of the holder and is
27 issued by the out-of-state jurisdiction. Identification under this
28 subsection (3) (b) must show the holder's residential address and have
29 as one of its legal purposes the establishment of residency in that
30 out-of-state jurisdiction.

31 (4) (a) (i) Beginning January 1, 2020, through December 31, 2020, a
32 person may request a remittance from the department for state sales
33 taxes paid by the person on qualified retail purchases made in
34 Washington between July 1, 2019, and December 31, 2019.

35 (ii) Beginning January 1, 2021, a person may request a remittance
36 from the department during any calendar year for state sales taxes
37 paid by the person on qualified retail purchases made in Washington
38 during the immediately preceding calendar year only. No application
39 may be made with respect to purchases made before the immediately
40 preceding calendar year.

1 (b) The remittance request, including proof of nonresident status
2 and any other documentation and information required by the
3 department, must be provided in a form and manner as prescribed by
4 the department. Only one remittance request may be made by a person
5 per calendar year.

6 (c) The total amount of a remittance request must be at least
7 twenty-five dollars. The department must deny any request for a
8 remittance that is less than twenty-five dollars.

9 (d) The department will examine the applicant's proof of
10 nonresident status and any other documentation and information as
11 required in the application to determine whether the applicant is
12 entitled to a remittance under this section.

13 (5) (a) Any person making fraudulent statements to the department,
14 which includes the offer of fraudulent or fraudulently procured
15 identification or fraudulent sales receipts, in order to receive a
16 remittance of retail sales tax is guilty of perjury under chapter
17 9A.72 RCW and is ineligible to receive any further remittances from
18 the department under this section.

19 (b) Any person obtaining a remittance of retail sales tax from
20 the department by providing proof of identification or sales receipts
21 not the person's own, or counterfeit identification or sales receipts
22 is (i) liable for repayment of the remittance, including interest as
23 provided in chapter 82.32 RCW from the date the remittance was
24 transmitted to the person until repaid in full, (ii) liable for a
25 civil penalty equal to the greater of one hundred dollars or the
26 amount of the remittance obtained in violation of this subsection
27 (5) (b), and (iii) ineligible to receive any further remittances from
28 the department under this section.

29 (c) Any person assisting another person in obtaining a remittance
30 of retail sales tax in violation of (b) of this subsection is jointly
31 and severally liable for amounts due under (b) of this subsection and
32 is also ineligible to receive any further remittances from the
33 department under this section.

34 (6) A person who receives a refund of sales tax from the seller
35 for any reason with respect to a purchase made in this state is not
36 entitled to a remittance for the tax paid on the purchase. A person
37 who receives both a remittance under this section and a refund of
38 sales tax from the seller with respect to the same purchase must
39 immediately repay the remittance to the department. Interest as
40 provided in chapter 82.32 RCW applies to amounts due under this

1 section from the date that the department made the remittance until
2 the amount due under this subsection is paid to the department. A
3 person who receives a remittance with respect to a purchase for which
4 the person had, at the time the person submitted the application for
5 a remittance, already received a refund of sales tax from the seller
6 is also liable for a civil penalty equal to the greater of one
7 hundred dollars or the amount of the remittance obtained in violation
8 of this subsection and is ineligible to receive any further
9 remittances from the department under this section.

10 (7) The exemption provided by this section is only for the state
11 portion of the sales tax. For purposes of this section, the state
12 portion of the sales tax is not reduced by any local sales tax that
13 is deducted or credited against the state sales tax as provided by
14 law.

15 (8) The exemption in this section does not apply to sales of
16 ((marijuana)) cannabis, useable ((marijuana, or marijuana-infused))
17 cannabis, or cannabis-infused products.

18 **Sec. 147.** RCW 82.08.02745 and 2014 c 140 s 18 are each amended
19 to read as follows:

20 (1) The tax levied by RCW 82.08.020 does not apply to charges
21 made for labor and services rendered by any person in respect to the
22 constructing, repairing, decorating, or improving of new or existing
23 buildings or other structures used as agricultural employee housing,
24 or to sales of tangible personal property that becomes an ingredient
25 or component of the buildings or other structures during the course
26 of the constructing, repairing, decorating, or improving the
27 buildings or other structures. The exemption is available only if the
28 buyer provides the seller with an exemption certificate in a form and
29 manner prescribed by the department by rule.

30 (2) The exemption provided in this section for agricultural
31 employee housing provided to year-round employees of the agricultural
32 employer, only applies if that housing is built to the current
33 building code for single-family or multifamily dwellings according to
34 the state building code, chapter 19.27 RCW.

35 (3) Any agricultural employee housing built under this section
36 must be used according to this section for at least five consecutive
37 years from the date the housing is approved for occupancy, or the
38 full amount of tax otherwise due is immediately due and payable
39 together with interest, but not penalties, from the date the housing

1 is approved for occupancy until the date of payment. If at any time
2 agricultural employee housing that is not located on agricultural
3 land ceases to be used in the manner specified in subsection (2) of
4 this section, the full amount of tax otherwise due is immediately due
5 and payable with interest, but not penalties, from the date the
6 housing ceases to be used as agricultural employee housing until the
7 date of payment.

8 (4) The exemption provided in this section does not apply to
9 housing built for the occupancy of an employer, family members of an
10 employer, or persons owning stock or shares in a farm partnership or
11 corporation business.

12 (5) For purposes of this section and RCW 82.12.02685, the
13 following definitions apply unless the context clearly requires
14 otherwise.

15 (a) "Agricultural employee" or "employee" has the same meaning as
16 given in RCW 19.30.010;

17 (b) "Agricultural employer" or "employer" has the same meaning as
18 given in RCW 19.30.010; and

19 (c) "Agricultural employee housing" means all facilities provided
20 by an agricultural employer, housing authority, local government,
21 state or federal agency, nonprofit community or neighborhood-based
22 organization that is exempt from income tax under section 501(c) of
23 the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)), or for-
24 profit provider of housing for housing agricultural employees on a
25 year-round or seasonal basis, including bathing, food handling, hand
26 washing, laundry, and toilet facilities, single-family and
27 multifamily dwelling units and dormitories, and includes labor camps
28 under RCW 70.114A.110. "Agricultural employee housing" does not
29 include:

30 (i) Housing regularly provided on a commercial basis to the
31 general public;

32 (ii) Housing provided by a housing authority unless at least
33 eighty percent of the occupants are agricultural employees whose
34 adjusted income is less than fifty percent of median family income,
35 adjusted for household size, for the county where the housing is
36 provided; and

37 (iii) Housing provided to agricultural employees providing
38 services related to the growing, raising, or producing of
39 (~~marijuana~~) cannabis.

1 **Sec. 148.** RCW 82.08.0281 and 2014 c 140 s 19 are each amended to
2 read as follows:

3 (1) The tax levied by RCW 82.08.020 does not apply to sales of
4 drugs for human use dispensed or to be dispensed to patients,
5 pursuant to a prescription.

6 (2) The tax levied by RCW 82.08.020 does not apply to sales of
7 drugs or devices used for family planning purposes, including the
8 prevention of conception, for human use dispensed or to be dispensed
9 to patients, pursuant to a prescription.

10 (3) The tax levied by RCW 82.08.020 does not apply to sales of
11 drugs and devices used for family planning purposes, including the
12 prevention of conception, for human use supplied by a family planning
13 clinic that is under contract with the department of health to
14 provide family planning services.

15 (4) The following definitions in this subsection apply throughout
16 this section unless the context clearly requires otherwise.

17 (a) "Prescription" means an order, formula, or recipe issued in
18 any form of oral, written, electronic, or other means of transmission
19 by a duly licensed practitioner authorized by the laws of this state
20 to prescribe.

21 (b) "Drug" means a compound, substance, or preparation, and any
22 component of a compound, substance, or preparation, other than food
23 and food ingredients, dietary supplements, ~~((\oplus))~~ alcoholic
24 beverages, ~~((marijuana))~~ cannabis, useable ~~((marijuana, or marijuana-~~
25 ~~infused))~~ cannabis, or cannabis-infused products:

26 (i) Recognized in the official United States pharmacopoeia,
27 official homeopathic pharmacopoeia of the United States, or official
28 national formulary, or any supplement to any of them; or

29 (ii) Intended for use in the diagnosis, cure, mitigation,
30 treatment, or prevention of disease; or

31 (iii) Intended to affect the structure or any function of the
32 body.

33 (c) "Over-the-counter drug" means a drug that contains a label
34 that identifies the product as a drug required by 21 C.F.R. Sec.
35 201.66, as amended or renumbered on January 1, 2003. The label
36 includes:

37 (i) A "drug facts" panel; or

38 (ii) A statement of the "active ingredient(s)" with a list of
39 those ingredients contained in the compound, substance, or
40 preparation.

1 **Sec. 149.** RCW 82.08.0288 and 2014 c 140 s 20 are each amended to
2 read as follows:

3 The tax levied by RCW 82.08.020 does not apply to the lease of
4 irrigation equipment if:

5 (1) The irrigation equipment was purchased by the lessor for the
6 purpose of irrigating land controlled by the lessor;

7 (2) The lessor has paid tax under RCW 82.08.020 or 82.12.020 in
8 respect to the irrigation equipment;

9 (3) The irrigation equipment is attached to the land in whole or
10 in part;

11 (4) The irrigation equipment is not used in the production of
12 (~~marijuana~~) cannabis; and

13 (5) The irrigation equipment is leased to the lessee as an
14 incidental part of the lease of the underlying land to the lessee and
15 is used solely on such land.

16 **Sec. 150.** RCW 82.08.0293 and 2019 c 8 s 401 are each amended to
17 read as follows:

18 (1) The tax levied by RCW 82.08.020 does not apply to sales of
19 food and food ingredients. "Food and food ingredients" means
20 substances, whether in liquid, concentrated, solid, frozen, dried, or
21 dehydrated form, that are sold for ingestion or chewing by humans and
22 are consumed for their taste or nutritional value. "Food and food
23 ingredients" does not include:

24 (a) "Alcoholic beverages," which means beverages that are
25 suitable for human consumption and contain one-half of one percent or
26 more of alcohol by volume;

27 (b) "Tobacco," which means cigarettes, cigars, chewing or pipe
28 tobacco, or any other item that contains tobacco; and

29 (c) (~~Marijuana~~) Cannabis, useable (~~(marijuana, or marijuana-~~
30 ~~infused)~~) cannabis, or cannabis-infused products.

31 (2) The exemption of "food and food ingredients" provided for in
32 subsection (1) of this section does not apply to prepared food, soft
33 drinks, bottled water, or dietary supplements. The definitions in
34 this subsection apply throughout this section unless the context
35 clearly requires otherwise.

36 (a) "Bottled water" means water that is placed in a safety sealed
37 container or package for human consumption. Bottled water is calorie
38 free and does not contain sweeteners or other additives except that
39 it may contain: (i) Antimicrobial agents; (ii) fluoride; (iii)

1 carbonation; (iv) vitamins, minerals, and electrolytes; (v) oxygen;
2 (vi) preservatives; and (vii) only those flavors, extracts, or
3 essences derived from a spice or fruit. "Bottled water" includes
4 water that is delivered to the buyer in a reusable container that is
5 not sold with the water.

6 (b) "Dietary supplement" means any product, other than tobacco,
7 intended to supplement the diet that:

8 (i) Contains one or more of the following dietary ingredients:

9 (A) A vitamin;

10 (B) A mineral;

11 (C) An herb or other botanical;

12 (D) An amino acid;

13 (E) A dietary substance for use by humans to supplement the diet
14 by increasing the total dietary intake; or

15 (F) A concentrate, metabolite, constituent, extract, or
16 combination of any ingredient described in this subsection;

17 (ii) Is intended for ingestion in tablet, capsule, powder,
18 softgel, gelcap, or liquid form, or if not intended for ingestion in
19 such form, is not represented as conventional food and is not
20 represented for use as a sole item of a meal or of the diet; and

21 (iii) Is required to be labeled as a dietary supplement,
22 identifiable by the "supplement facts" box found on the label as
23 required pursuant to 21 C.F.R. Sec. 101.36, as amended or renumbered
24 as of January 1, 2003.

25 (c) (i) "Prepared food" means:

26 (A) Food sold in a heated state or heated by the seller;

27 (B) Food sold with eating utensils provided by the seller,
28 including plates, knives, forks, spoons, glasses, cups, napkins, or
29 straws. A plate does not include a container or packaging used to
30 transport the food; or

31 (C) Two or more food ingredients mixed or combined by the seller
32 for sale as a single item, except:

33 (I) Food that is only cut, repackaged, or pasteurized by the
34 seller; or

35 (II) Raw eggs, fish, meat, poultry, and foods containing these
36 raw animal foods requiring cooking by the consumer as recommended by
37 the federal food and drug administration in chapter 3, part 401.11 of
38 The Food Code, published by the food and drug administration, as
39 amended or renumbered as of January 1, 2003, so as to prevent
40 foodborne illness.

1 (ii) Food is "sold with eating utensils provided by the seller"
2 if:

3 (A) The seller's customary practice for that item is to
4 physically deliver or hand a utensil to the customer with the food or
5 food ingredient as part of the sales transaction. If the food or food
6 ingredient is prepackaged with a utensil, the seller is considered to
7 have physically delivered a utensil to the customer unless the food
8 and utensil are prepackaged together by a food manufacturer
9 classified under sector 311 of the North American industry
10 classification system (NAICS);

11 (B) A plate, glass, cup, or bowl is necessary to receive the food
12 or food ingredient, and the seller makes those utensils available to
13 its customers; or

14 (C) (I) The seller makes utensils available to its customers, and
15 the seller has more than seventy-five percent prepared food sales.
16 For purposes of this subsection (2)(c)(ii)(C), a seller has more than
17 seventy-five percent prepared food sales if the seller's gross retail
18 sales of prepared food under (c)(i)(A), (c)(i)(C), and (c)(ii)(B) of
19 this subsection equal more than seventy-five percent of the seller's
20 gross retail sales of all food and food ingredients, including
21 prepared food, soft drinks, and dietary supplements.

22 (II) However, even if a seller has more than seventy-five percent
23 prepared food sales, four servings or more of food or food
24 ingredients packaged for sale as a single item and sold for a single
25 price are not "sold with utensils provided by the seller" unless the
26 seller's customary practice for the package is to physically hand or
27 otherwise deliver a utensil to the customer as part of the sales
28 transaction. Whenever available, the number of servings included in a
29 package of food or food ingredients must be determined based on the
30 manufacturer's product label. If no label is available, the seller
31 must reasonably determine the number of servings.

32 (III) The seller must determine a single prepared food sales
33 percentage annually for all the seller's establishments in the state
34 based on the prior year of sales. The seller may elect to determine
35 its prepared food sales percentage based either on the prior calendar
36 year or on the prior fiscal year. A seller may not change its elected
37 method for determining its prepared food percentage without the
38 written consent of the department. The seller must determine its
39 annual prepared food sales percentage as soon as possible after
40 accounting records are available, but in no event later than ninety

1 days after the beginning of the seller's calendar or fiscal year. A
2 seller may make a good faith estimate of its first annual prepared
3 food sales percentage if the seller's records for the prior year are
4 not sufficient to allow the seller to calculate the prepared food
5 sales percentage. The seller must adjust its good faith estimate
6 prospectively if its relative sales of prepared foods in the first
7 ninety days of operation materially depart from the seller's
8 estimate.

9 (iii) "Prepared food" does not include the following items, if
10 sold without eating utensils provided by the seller:

11 (A) Food sold by a seller whose proper primary NAICS
12 classification is manufacturing in sector 311, except subsector 3118
13 (bakeries), as provided in the "North American industry
14 classification system—United States, 2002";

15 (B) Food sold in an unheated state by weight or volume as a
16 single item; or

17 (C) Bakery items. The term "bakery items" includes bread, rolls,
18 buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes,
19 tortes, pies, tarts, muffins, bars, cookies, or tortillas.

20 (d) "Soft drinks" means nonalcoholic beverages that contain
21 natural or artificial sweeteners. Soft drinks do not include
22 beverages that contain: Milk or milk products; soy, rice, or similar
23 milk substitutes; or greater than fifty percent of vegetable or fruit
24 juice by volume.

25 (3) Notwithstanding anything in this section to the contrary, the
26 exemption of "food and food ingredients" provided in this section
27 applies to food and food ingredients that are furnished, prepared, or
28 served as meals:

29 (a) Under a state administered nutrition program for the aged as
30 provided for in the older Americans act (P.L. 95-478 Title III) and
31 RCW 74.38.040(6);

32 (b) That are provided to senior citizens, individuals with
33 disabilities, or low-income persons by a not-for-profit organization
34 organized under chapter 24.03 or 24.12 RCW; or

35 (c) That are provided to residents, sixty-two years of age or
36 older, of a qualified low-income senior housing facility by the
37 lessor or operator of the facility. The sale of a meal that is billed
38 to both spouses of a marital community or both domestic partners of a
39 domestic partnership meets the age requirement in this subsection
40 (3)(c) if at least one of the spouses or domestic partners is at

1 least sixty-two years of age. For purposes of this subsection,
2 "qualified low-income senior housing facility" means a facility:

3 (i) That meets the definition of a qualified low-income housing
4 project under 26 U.S.C. Sec. 42 of the federal internal revenue code,
5 as existing on August 1, 2009;

6 (ii) That has been partially funded under 42 U.S.C. Sec. 1485;
7 and

8 (iii) For which the lessor or operator has at any time been
9 entitled to claim a federal income tax credit under 26 U.S.C. Sec. 42
10 of the federal internal revenue code.

11 (4)(a) Subsection (1) of this section notwithstanding, the retail
12 sale of food and food ingredients is subject to sales tax under RCW
13 82.08.020 if the food and food ingredients are sold through a vending
14 machine. Except as provided in (b) of this subsection, the selling
15 price of food and food ingredients sold through a vending machine for
16 purposes of RCW 82.08.020 is fifty-seven percent of the gross
17 receipts.

18 (b) For soft drinks, bottled water, and hot prepared food and
19 food ingredients, other than food and food ingredients which are
20 heated after they have been dispensed from the vending machine, the
21 selling price is the total gross receipts of such sales divided by
22 the sum of one plus the sales tax rate expressed as a decimal.

23 (c) For tax collected under this subsection (4), the requirements
24 that the tax be collected from the buyer and that the amount of tax
25 be stated as a separate item are waived.

26 **Sec. 151.** RCW 82.08.820 and 2014 c 140 s 23 are each amended to
27 read as follows:

28 (1) Wholesalers or third-party warehouse owners who own or operate
29 warehouses or grain elevators and retailers who own or operate
30 distribution centers, and who have paid the tax levied by RCW
31 82.08.020 on:

32 (a) Material-handling and racking equipment, and labor and
33 services rendered in respect to installing, repairing, cleaning,
34 altering, or improving the equipment; or

35 (b) Construction of a warehouse or grain elevator, including
36 materials, and including service and labor costs,
37 are eligible for an exemption in the form of a remittance. The amount
38 of the remittance is computed under subsection (3) of this section
39 and is based on the state share of sales tax.

1 (2) For purposes of this section and RCW 82.12.820:

2 (a) "Agricultural products" has the meaning given in RCW
3 82.04.213;

4 (b) "Construction" means the actual construction of a warehouse
5 or grain elevator that did not exist before the construction began.
6 "Construction" includes expansion if the expansion adds at least two
7 hundred thousand square feet of additional space to an existing
8 warehouse or additional storage capacity of at least one million
9 bushels to an existing grain elevator. "Construction" does not
10 include renovation, remodeling, or repair;

11 (c) "Department" means the department of revenue;

12 (d) "Distribution center" means a warehouse that is used
13 exclusively by a retailer solely for the storage and distribution of
14 finished goods to retail outlets of the retailer. "Distribution
15 center" does not include a warehouse at which retail sales occur;

16 (e) "Finished goods" means tangible personal property intended
17 for sale by a retailer or wholesaler. "Finished goods" does not
18 include:

19 (i) Agricultural products stored by wholesalers, third-party
20 warehouses, or retailers if the storage takes place on the land of
21 the person who produced the agricultural product;

22 (ii) Logs, minerals, petroleum, gas, or other extracted products
23 stored as raw materials or in bulk; or

24 (iii) (~~Marijuana~~) Cannabis, useable (~~(marijuana, or marijuana-~~
25 ~~infused)~~) cannabis, or cannabis-infused products;

26 (f) "Grain elevator" means a structure used for storage and
27 handling of grain in bulk;

28 (g) "Material-handling equipment and racking equipment" means
29 equipment in a warehouse or grain elevator that is primarily used to
30 handle, store, organize, convey, package, or repackage finished
31 goods. The term includes tangible personal property with a useful
32 life of one year or more that becomes an ingredient or component of
33 the equipment, including repair and replacement parts. The term does
34 not include equipment in offices, lunchrooms, restrooms, and other
35 like space, within a warehouse or grain elevator, or equipment used
36 for nonwarehousing purposes. "Material-handling equipment" includes
37 but is not limited to: Conveyers, carousels, lifts, positioners,
38 pick-up-and-place units, cranes, hoists, mechanical arms, and robots;
39 mechanized systems, including containers that are an integral part of
40 the system, whose purpose is to lift or move tangible personal

1 property; and automated handling, storage, and retrieval systems,
2 including computers that control them, whose purpose is to lift or
3 move tangible personal property; and forklifts and other off-the-road
4 vehicles that are used to lift or move tangible personal property and
5 that cannot be operated legally on roads and streets. "Racking
6 equipment" includes, but is not limited to, conveying systems,
7 chutes, shelves, racks, bins, drawers, pallets, and other containers
8 and storage devices that form a necessary part of the storage system;

9 (h) "Person" has the meaning given in RCW 82.04.030;

10 (i) "Retailer" means a person who makes "sales at retail" as
11 defined in chapter 82.04 RCW of tangible personal property;

12 (j) "Square footage" means the product of the two horizontal
13 dimensions of each floor of a specific warehouse. The entire
14 footprint of the warehouse must be measured in calculating the square
15 footage, including space that juts out from the building profile such
16 as loading docks. "Square footage" does not mean the aggregate of the
17 square footage of more than one warehouse at a location or the
18 aggregate of the square footage of warehouses at more than one
19 location;

20 (k) "Third-party warehouser" means a person taxable under RCW
21 82.04.280(1)(d);

22 (l) "Warehouse" means an enclosed building or structure in which
23 finished goods are stored. A warehouse building or structure may have
24 more than one storage room and more than one floor. Office space,
25 lunchrooms, restrooms, and other space within the warehouse and
26 necessary for the operation of the warehouse are considered part of
27 the warehouse as are loading docks and other such space attached to
28 the building and used for handling of finished goods. Landscaping and
29 parking lots are not considered part of the warehouse. A storage yard
30 is not a warehouse, nor is a building in which manufacturing takes
31 place; and

32 (m) "Wholesaler" means a person who makes "sales at wholesale" as
33 defined in chapter 82.04 RCW of tangible personal property, but
34 "wholesaler" does not include a person who makes sales exempt under
35 RCW 82.04.330.

36 (3)(a) A person claiming an exemption from state tax in the form
37 of a remittance under this section must pay the tax imposed by RCW
38 82.08.020. The buyer may then apply to the department for remittance
39 of all or part of the tax paid under RCW 82.08.020. For grain
40 elevators with bushel capacity of one million but less than two

1 million, the remittance is equal to fifty percent of the amount of
2 tax paid. For warehouses with square footage of two hundred thousand
3 or more and for grain elevators with bushel capacity of two million
4 or more, the remittance is equal to one hundred percent of the amount
5 of tax paid for qualifying construction, materials, service, and
6 labor, and fifty percent of the amount of tax paid for qualifying
7 material-handling equipment and racking equipment, and labor and
8 services rendered in respect to installing, repairing, cleaning,
9 altering, or improving the equipment.

10 (b) The department must determine eligibility under this section
11 based on information provided by the buyer and through audit and
12 other administrative records. The buyer must on a quarterly basis
13 submit an information sheet, in a form and manner as required by the
14 department by rule, specifying the amount of exempted tax claimed and
15 the qualifying purchases or acquisitions for which the exemption is
16 claimed. The buyer must retain, in adequate detail to enable the
17 department to determine whether the equipment or construction meets
18 the criteria under this section: Invoices; proof of tax paid;
19 documents describing the material-handling equipment and racking
20 equipment; location and size of warehouses and grain elevators; and
21 construction invoices and documents.

22 (c) The department must on a quarterly basis remit exempted
23 amounts to qualifying persons who submitted applications during the
24 previous quarter.

25 (4) Warehouses, grain elevators, and material-handling equipment
26 and racking equipment for which an exemption, credit, or deferral has
27 been or is being received under chapter 82.60, 82.62, or 82.63 RCW or
28 RCW 82.08.02565 or 82.12.02565 are not eligible for any remittance
29 under this section. Warehouses and grain elevators upon which
30 construction was initiated before May 20, 1997, are not eligible for
31 a remittance under this section.

32 (5) The lessor or owner of a warehouse or grain elevator is not
33 eligible for a remittance under this section unless the underlying
34 ownership of the warehouse or grain elevator and the material-
35 handling equipment and racking equipment vests exclusively in the
36 same person, or unless the lessor by written contract agrees to pass
37 the economic benefit of the remittance to the lessee in the form of
38 reduced rent payments.

1 **Sec. 152.** RCW 82.08.9997 and 2015 c 207 s 4 are each amended to
2 read as follows:

3 The taxes imposed by this chapter do not apply to the retail sale
4 of ~~((marijuana))~~ cannabis, useable ~~((marijuana, marijuana))~~ cannabis,
5 cannabis concentrates, and ~~((marijuana-infused))~~ cannabis-infused
6 products covered by an agreement entered into under RCW 43.06.490.
7 ~~("Marijuana,")~~ "Cannabis," "useable ~~((marijuana, " "marijuana))~~
8 cannabis," "cannabis concentrates," and ~~((marijuana-infused))~~
9 "cannabis-infused products" have the same meaning as defined in RCW
10 69.50.101.

11 **Sec. 153.** RCW 82.08.9998 and 2019 c 393 s 4 are each amended to
12 read as follows:

13 (1) The tax levied by RCW 82.08.020 does not apply to:

14 (a) Sales of ~~((marijuana))~~ cannabis concentrates, useable
15 ~~((marijuana, or marijuana-infused))~~ cannabis, or cannabis-infused
16 products, identified by the department of health in rules adopted
17 under RCW 69.50.375(4) in chapter 246-70 WAC as being a compliant
18 ~~((marijuana))~~ cannabis product, by ~~((marijuana))~~ cannabis retailers
19 with medical ~~((marijuana))~~ cannabis endorsements to qualifying
20 patients or designated providers who have been issued recognition
21 cards;

22 (b) Sales of products containing THC with a THC concentration of
23 0.3 percent or less to qualifying patients or designated providers
24 who have been issued recognition cards by ~~((marijuana))~~ cannabis
25 retailers with medical ~~((marijuana))~~ cannabis endorsements;

26 (c) Sales of ~~((marijuana))~~ cannabis concentrates, useable
27 ~~((marijuana, or marijuana-infused))~~ cannabis, or cannabis-infused
28 products, identified by the department of health under RCW 69.50.375
29 to have a low THC, high CBD ratio, and to be beneficial for medical
30 use, by ~~((marijuana))~~ cannabis retailers with medical ~~((marijuana))~~
31 cannabis endorsements, to any person;

32 (d) Sales of topical, noningestible products containing THC with
33 a THC concentration of 0.3 percent or less by health care
34 professionals under RCW 69.51A.280;

35 (e) (i) ~~((Marijuana, marijuana))~~ Cannabis, cannabis concentrates,
36 useable ~~((marijuana, marijuana-infused))~~ cannabis, cannabis-infused
37 products, or products containing THC with a THC concentration of 0.3
38 percent or less produced by a cooperative and provided to its
39 members; and

1 (ii) Any nonmonetary resources and labor contributed by an
2 individual member of the cooperative in which the individual is a
3 member. However, nothing in this subsection (1)(e) may be construed
4 to exempt the individual members of a cooperative from the tax
5 imposed in RCW 82.08.020 on any purchase of property or services
6 contributed to the cooperative.

7 (2) Each seller making exempt sales under subsection (1) of this
8 section must maintain information establishing eligibility for the
9 exemption in the form and manner required by the department.

10 (3) The department must provide a separate tax reporting line for
11 exemption amounts claimed under this section.

12 (4) The definitions in this subsection apply throughout this
13 section unless the context clearly requires otherwise.

14 (a) "Cooperative" means a cooperative authorized by and operating
15 in compliance with RCW 69.51A.250.

16 (b) (~~("Marijuana")~~) "Cannabis retailer with a medical
17 (~~(marijuana)~~) cannabis endorsement" means a (~~(marijuana)~~) cannabis
18 retailer permitted under RCW 69.50.375 to sell (~~(marijuana)~~) cannabis
19 for medical use to qualifying patients and designated providers.

20 (c) "Products containing THC with a THC concentration of 0.3
21 percent or less" means all products containing THC with a THC
22 concentration not exceeding 0.3 percent and that, when used as
23 intended, are inhalable, ingestible, or absorbable.

24 (d) "THC concentration," (~~("marijuana," "marijuana")~~) "cannabis,"
25 "cannabis concentrates," "useable (~~(marijuana," "marijuana)~~)
26 cannabis," "cannabis retailer," and (~~("marijuana-infused")~~) "cannabis-
27 infused products" have the same meanings as provided in RCW 69.50.101
28 and the terms "qualifying patients," "designated providers," and
29 "recognition card" have the same meaning as provided in RCW
30 69.51A.010.

31 **Sec. 154.** RCW 82.12.02565 and 2015 3rd sp.s. c 5 s 302 are each
32 amended to read as follows:

33 (1) The provisions of this chapter do not apply in respect to the
34 use by a manufacturer or processor for hire of machinery and
35 equipment used directly in a manufacturing operation or research and
36 development operation, to the use by a person engaged in testing for
37 a manufacturer or processor for hire of machinery and equipment used
38 directly in a testing operation, or to the use of labor and services

1 rendered in respect to installing, repairing, cleaning, altering, or
2 improving the machinery and equipment.

3 (2) The definitions, conditions, and requirements in RCW
4 82.08.02565 apply to this section.

5 (3) This section does not apply to the use of (a) machinery and
6 equipment used directly in the manufacturing, research and
7 development, or testing of (~~marijuana~~) cannabis, useable
8 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
9 products, or (b) labor and services rendered in respect to
10 installing, repairing, cleaning, altering, or improving such
11 machinery and equipment.

12 (4) The exemptions in this section do not apply to an ineligible
13 person as defined in RCW 82.08.02565.

14 **Sec. 155.** RCW 82.12.0258 and 2014 c 140 s 16 are each amended to
15 read as follows:

16 The provisions of this chapter do not apply in respect to the use
17 of personal property (including household goods) that has been used
18 in conducting a farm activity, if such property was purchased from a
19 farmer as defined in RCW 82.04.213 at an auction sale held or
20 conducted by an auctioneer upon a farm and not otherwise. The
21 exemption in this section does not apply to personal property used by
22 the seller in the production of (~~marijuana~~) cannabis, useable
23 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
24 products.

25 **Sec. 156.** RCW 82.12.0283 and 2014 c 140 s 21 are each amended to
26 read as follows:

27 The provisions of this chapter do not apply to the use of
28 irrigation equipment if:

29 (1) The irrigation equipment was purchased by the lessor for the
30 purpose of irrigating land controlled by the lessor;

31 (2) The lessor has paid tax under RCW 82.08.020 or 82.12.020 in
32 respect to the irrigation equipment;

33 (3) The irrigation equipment is attached to the land in whole or
34 in part;

35 (4) The irrigation equipment is not used in the production of
36 (~~marijuana~~) cannabis; and

1 (5) The irrigation equipment is leased to the lessee as an
2 incidental part of the lease of the underlying land to the lessee and
3 is used solely on such land.

4 **Sec. 157.** RCW 82.12.9997 and 2015 c 207 s 5 are each amended to
5 read as follows:

6 The taxes imposed by this chapter do not apply to the use of
7 ~~((marijuana))~~ cannabis, useable ~~((marijuana, marijuana))~~ cannabis,
8 cannabis concentrates, and ~~((marijuana-infused))~~ cannabis-infused
9 products covered by an agreement entered into under RCW 43.06.490.
10 ~~("Marijuana,")~~ "Cannabis," "useable ~~((marijuana, "marijuana))~~
11 cannabis," "cannabis concentrates," and ~~((marijuana-infused))~~
12 "cannabis-infused products" have the same meaning as defined in RCW
13 69.50.101.

14 **Sec. 158.** RCW 82.12.9998 and 2019 c 393 s 5 are each amended to
15 read as follows:

16 (1) The provisions of this chapter do not apply to:

17 (a) The use of ~~((marijuana))~~ cannabis concentrates, useable
18 ~~((marijuana, or marijuana-infused))~~ cannabis, or cannabis-infused
19 products, identified by the department of health in rules adopted
20 under RCW 69.50.375(4) in chapter 246-70 WAC as being a compliant
21 ~~((marijuana))~~ cannabis product, by qualifying patients or designated
22 providers who have been issued recognition cards and have obtained
23 such products from a ~~((marijuana))~~ cannabis retailer with a medical
24 ~~((marijuana))~~ cannabis endorsement.

25 (b) The use of products containing THC with a THC concentration
26 of 0.3 percent or less by qualifying patients or designated providers
27 who have been issued recognition cards and have obtained such
28 products from a ~~((marijuana))~~ cannabis retailer with a medical
29 ~~((marijuana))~~ cannabis endorsement.

30 (c) (i) ~~((Marijuana))~~ Cannabis retailers with a medical
31 ~~((marijuana))~~ cannabis endorsement with respect to:

32 (A) ~~((Marijuana))~~ Cannabis concentrates, useable ~~((marijuana, or~~
33 ~~marijuana-infused))~~ cannabis, or cannabis-infused products; or

34 (B) Products containing THC with a THC concentration of 0.3
35 percent or less;

36 (ii) The exemption in this subsection (1)(c) applies only if such
37 products are provided at no charge to a qualifying patient or
38 designated provider who has been issued a recognition card. Each such

1 retailer providing such products at no charge must maintain
2 information establishing eligibility for this exemption in the form
3 and manner required by the department.

4 (d) The use of (~~marijuana~~) cannabis concentrates, useable
5 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
6 products, identified by the department of health under RCW 69.50.375
7 to have a low THC, high CBD ratio, and to be beneficial for medical
8 use, purchased from (~~marijuana~~) cannabis retailers with a medical
9 (~~marijuana~~) cannabis endorsement.

10 (e) Health care professionals with respect to the use of products
11 containing THC with a THC concentration of 0.3 percent or less
12 provided at no charge by the health care professionals under RCW
13 69.51A.280. Each health care professional providing such products at
14 no charge must maintain information establishing eligibility for this
15 exemption in the form and manner required by the department.

16 (f) The use of topical, noningestible products containing THC
17 with a THC concentration of 0.3 percent or less by qualifying
18 patients when purchased from or provided at no charge by a health
19 care professional under RCW 69.51A.280.

20 (g) The use of:

21 (i) (~~Marijuana, marijuana~~) Cannabis, cannabis concentrates,
22 useable (~~marijuana, marijuana-infused~~) cannabis, cannabis-infused
23 products, or products containing THC with a THC concentration of 0.3
24 percent or less, by a cooperative and its members, when produced by
25 the cooperative; and

26 (ii) Any nonmonetary resources and labor by a cooperative when
27 contributed by its members. However, nothing in this subsection
28 (1)(g) may be construed to exempt the individual members of a
29 cooperative from the tax imposed in RCW 82.12.020 on the use of any
30 property or services purchased by the member and contributed to the
31 cooperative.

32 (2) The definitions in RCW 82.08.9998 apply to this section.

33 **Sec. 159.** RCW 82.14.430 and 2014 c 140 s 24 are each amended to
34 read as follows:

35 (1) If approved by the majority of the voters within its
36 boundaries voting on the ballot proposition, a regional
37 transportation investment district may impose a sales and use tax of
38 up to 0.1 percent of the selling price or value of the article used
39 in the case of a use tax. The tax authorized by this section is in

1 addition to the tax authorized by RCW 82.14.030 and must be collected
2 from those persons who are taxable by the state under chapters 82.08
3 and 82.12 RCW upon the occurrence of any taxable event within the
4 taxing district. Motor vehicles are exempt from the sales and use tax
5 imposed under this subsection.

6 (2) If approved by the majority of the voters within its
7 boundaries voting on the ballot proposition, a regional
8 transportation investment district may impose a tax on the use of a
9 motor vehicle within a regional transportation investment district.
10 The tax applies to those persons who reside within the regional
11 transportation investment district. The rate of the tax may not
12 exceed 0.1 percent of the value of the motor vehicle. The tax
13 authorized by this subsection is in addition to the tax authorized
14 under RCW 82.14.030 and must be imposed and collected at the time a
15 taxable event under RCW 82.08.020(1) or 82.12.020 takes place. All
16 revenue received under this subsection must be deposited in the local
17 sales and use tax account and distributed to the regional
18 transportation investment district according to RCW 82.14.050. The
19 following provisions apply to the use tax in this subsection:

20 (a) Where persons are taxable under chapter 82.08 RCW, the seller
21 must collect the use tax from the buyer using the collection
22 provisions of RCW 82.08.050.

23 (b) Where persons are taxable under chapter 82.12 RCW, the use
24 tax must be collected using the provisions of RCW 82.12.045.

25 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320,
26 but does not include:

27 (i) Farm tractors or farm vehicles as defined in RCW 46.04.180
28 and 46.04.181, unless the farm tractor or farm vehicle is for use in
29 the production of (~~marijuana~~) cannabis;

30 (ii) Off-road vehicles as defined in RCW 46.04.365;

31 (iii) Nonhighway vehicles as defined in RCW 46.09.310; and

32 (iv) Snowmobiles as defined in RCW 46.04.546.

33 (d) "Person" has the meaning given in RCW 82.04.030.

34 (e) The value of a motor vehicle must be determined under RCW
35 82.12.010.

36 (f) Except as specifically stated in this subsection (2),
37 chapters 82.12 and 82.32 RCW apply to the use tax. The use tax is a
38 local tax imposed under the authority of this chapter (~~(82.14 RCW)~~),
39 and this chapter (~~(82.14 RCW)~~) applies fully to the use tax.

1 (3) In addition to fulfilling the notice requirements under RCW
2 82.14.055(1), and unless waived by the department, a regional
3 transportation investment district must provide the department of
4 revenue with digital mapping and legal descriptions of areas in which
5 the tax will be collected.

6 **Sec. 160.** RCW 82.16.050 and 2014 c 140 s 25 are each amended to
7 read as follows:

8 In computing tax there may be deducted from the gross income the
9 following items:

10 (1) Amounts derived by municipally owned or operated public
11 service businesses, directly from taxes levied for the support or
12 maintenance thereof. This subsection may not be construed to exempt
13 service charges which are spread on the property tax rolls and
14 collected as taxes;

15 (2) Amounts derived from the sale of commodities to persons in
16 the same public service business as the seller, for resale as such
17 within this state. This deduction is allowed only with respect to
18 water distribution, gas distribution or other public service
19 businesses which furnish water, gas or any other commodity in the
20 performance of public service businesses;

21 (3) Amounts actually paid by a taxpayer to another person taxable
22 under this chapter as the latter's portion of the consideration due
23 for services furnished jointly by both, if the total amount has been
24 credited to and appears in the gross income reported for tax by the
25 former;

26 (4) The amount of cash discount actually taken by the purchaser
27 or customer;

28 (5) The amount of bad debts, as that term is used in 26 U.S.C.
29 Sec. 166, as amended or renumbered as of January 1, 2003, on which
30 tax was previously paid under this chapter;

31 (6) Amounts derived from business which the state is prohibited
32 from taxing under the Constitution of this state or the Constitution
33 or laws of the United States;

34 (7) Amounts derived from the distribution of water through an
35 irrigation system, for irrigation purposes other than the irrigation
36 of (~~marijuana~~) cannabis as defined under RCW 69.50.101;

37 (8) Amounts derived from the transportation of commodities from
38 points of origin in this state to final destination outside this
39 state, or from points of origin outside this state to final

1 destination in this state, with respect to which the carrier grants
2 to the shipper the privilege of stopping the shipment in transit at
3 some point in this state for the purpose of storing, manufacturing,
4 milling, or other processing, and thereafter forwards the same
5 commodity, or its equivalent, in the same or converted form, under a
6 through freight rate from point of origin to final destination;

7 (9) Amounts derived from the transportation of commodities from
8 points of origin in the state to an export elevator, wharf, dock or
9 ship side on tidewater or its navigable tributaries to be forwarded,
10 without intervening transportation, by vessel, in their original
11 form, to interstate or foreign destinations. No deduction is allowed
12 under this subsection when the point of origin and the point of
13 delivery to the export elevator, wharf, dock, or ship side are
14 located within the corporate limits of the same city or town;

15 (10) Amounts derived from the transportation of agricultural
16 commodities, not including manufactured substances or articles, from
17 points of origin in the state to interim storage facilities in this
18 state for transshipment, without intervening transportation, to an
19 export elevator, wharf, dock, or ship side on tidewater or its
20 navigable tributaries to be forwarded, without intervening
21 transportation, by vessel, in their original form, to interstate or
22 foreign destinations. If agricultural commodities are transshipped
23 from interim storage facilities in this state to storage facilities
24 at a port on tidewater or its navigable tributaries, the same
25 agricultural commodity dealer must operate both the interim storage
26 facilities and the storage facilities at the port.

27 (a) The deduction under this subsection is available only when
28 the person claiming the deduction obtains a certificate from the
29 agricultural commodity dealer operating the interim storage
30 facilities, in a form and manner prescribed by the department,
31 certifying that:

32 (i) More than ninety-six percent of all of the type of
33 agricultural commodity delivered by the person claiming the deduction
34 under this subsection and delivered by all other persons to the
35 dealer's interim storage facilities during the preceding calendar
36 year was shipped by vessel in original form to interstate or foreign
37 destinations; and

38 (ii) Any of the agricultural commodity that is transshipped to
39 ports on tidewater or its navigable tributaries will be received at
40 storage facilities operated by the same agricultural commodity dealer

1 and will be shipped from such facilities, without intervening
2 transportation, by vessel, in their original form, to interstate or
3 foreign destinations.

4 (b) As used in this subsection, "agricultural commodity" has the
5 same meaning as agricultural product in RCW 82.04.213;

6 (11) Amounts derived from the production, sale, or transfer of
7 electrical energy for resale within or outside the state or for
8 consumption outside the state;

9 (12) Amounts derived from the distribution of water by a
10 nonprofit water association and used for capital improvements by that
11 nonprofit water association;

12 (13) Amounts paid by a sewerage collection business taxable under
13 RCW 82.16.020(1)(a) to a person taxable under chapter 82.04 RCW for
14 the treatment or disposal of sewage;

15 (14) Amounts derived from fees or charges imposed on persons for
16 transit services provided by a public transportation agency. For the
17 purposes of this subsection, "public transportation agency" means a
18 municipality, as defined in RCW 35.58.272, and urban public
19 transportation systems, as defined in RCW 47.04.082. Public
20 transportation agencies must spend an amount equal to the reduction
21 in tax provided by this tax deduction solely to adjust routes to
22 improve access for citizens using food banks and senior citizen
23 services or to extend or add new routes to assist low-income citizens
24 and seniors.

25 **Sec. 161.** RCW 82.25.005 and 2019 c 445 s 101 are each amended to
26 read as follows:

27 The definitions in this section apply throughout this chapter
28 unless the context clearly requires otherwise.

29 (1) "Accessible container" means a container that is intended to
30 be opened. The term does not mean a closed cartridge or closed
31 container that is not intended to be opened such as a disposable e-
32 cigarette.

33 (2) "Affiliated" means related in any way by virtue of any form
34 or amount of common ownership, control, operation, or management.

35 (3) "Board" means the Washington state liquor and cannabis board.

36 (4) "Business" means any trade, occupation, activity, or
37 enterprise engaged in selling or distributing vapor products in this
38 state.

39 (5) "Distributor" (~~mean[s]~~) means any person:

1 (a) Engaged in the business of selling vapor products in this
2 state who brings, or causes to be brought, into this state from
3 outside the state any vapor products for sale;

4 (b) Who makes, manufactures, fabricates, or stores vapor products
5 in this state for sale in this state;

6 (c) Engaged in the business of selling vapor products outside
7 this state who ships or transports vapor products to retailers or
8 consumers in this state; or

9 (d) Engaged in the business of selling vapor products in this
10 state who handles for sale any vapor products that are within this
11 state but upon which tax has not been imposed.

12 (6) "Indian country" has the same meaning as provided in RCW
13 82.24.010.

14 (7) "Manufacturer" has the same meaning as provided in RCW
15 70.345.010.

16 (8) "Manufacturer's representative" means a person hired by a
17 manufacturer to sell or distribute the manufacturer's vapor products
18 and includes employees and independent contractors.

19 (9) "Person" means: Any individual, receiver, administrator,
20 executor, assignee, trustee in bankruptcy, trust, estate, firm,
21 copartnership, joint venture, club, company, joint stock company,
22 business trust, municipal corporation, corporation, limited liability
23 company, association, or society; the state and its departments and
24 institutions; any political subdivision of the state of Washington;
25 and any group of individuals acting as a unit, whether mutual,
26 cooperative, fraternal, nonprofit, or otherwise. Except as provided
27 otherwise in this chapter, "person" does not include any person
28 immune from state taxation, including the United States or its
29 instrumentalities, and federally recognized Indian tribes and
30 enrolled tribal members, conducting business within Indian country.

31 (10) "Place of business" means any place where vapor products are
32 sold or where vapor products are manufactured, stored, or kept for
33 the purpose of sale, including any vessel, vehicle, airplane, or
34 train.

35 (11) "Retail outlet" has the same meaning as provided in RCW
36 70.345.010.

37 (12) "Retailer" has the same meaning as provided in RCW
38 70.345.010.

39 (13) "Sale" has the same meaning as provided in RCW 70.345.010.

1 (14) "Taxpayer" means a person liable for the tax imposed by this
2 chapter.

3 (15) "Vapor product" means any noncombustible product containing
4 a solution or other consumable substance, regardless of whether it
5 contains nicotine, which employs a mechanical heating element,
6 battery, or electronic circuit regardless of shape or size that can
7 be used to produce vapor from the solution or other substance,
8 including an electronic cigarette, electronic cigar, electronic
9 cigarillo, electronic pipe, or similar product or device. The term
10 also includes any cartridge or other container of liquid nicotine,
11 solution, or other consumable substance, regardless of whether it
12 contains nicotine, that is intended to be used with or in a device
13 that can be used to deliver aerosolized or vaporized nicotine to a
14 person inhaling from the device and is sold for such purpose.

15 (a) The term does not include:

16 (i) Any product approved by the United States food and drug
17 administration for sale as a tobacco cessation product, medical
18 device, or for other therapeutic purposes when such product is
19 marketed and sold solely for such an approved purpose;

20 (ii) Any product that will become an ingredient or component in a
21 vapor product manufactured by a distributor; or

22 (iii) Any product that meets the definition of (~~marijuana~~)
23 cannabis, useable (~~marijuana, marijuana~~) cannabis, cannabis
24 concentrates, (~~marijuana-infused~~) cannabis-infused products,
25 cigarette, or tobacco products.

26 (b) For purposes of this subsection (15):

27 (i) "Cigarette" has the same meaning as provided in RCW
28 82.24.010; and

29 (ii) (~~"Marijuana,"~~) "Cannabis," "useable (~~marijuana,"~~
30 ~~marijuana~~) cannabis," "cannabis concentrates," and (~~"marijuana-~~
31 ~~infused~~) "cannabis-infused products" have the same meaning as
32 provided in RCW 69.50.101.

33 **Sec. 162.** RCW 82.29A.020 and 2015 3rd sp.s. c 6 s 2004 are each
34 amended to read as follows:

35 The definitions in this section apply throughout this chapter
36 unless the context requires otherwise.

37 (1)(a) "Leasehold interest" means an interest in publicly owned,
38 or specified privately owned, real or personal property which exists
39 by virtue of any lease, permit, license, or any other agreement,

1 written or verbal, between the owner of the property and a person who
2 would not be exempt from property taxes if that person owned the
3 property in fee, granting possession and use, to a degree less than
4 fee simple ownership. However, no interest in personal property
5 (excluding land or buildings) which is owned by the United States,
6 whether or not as trustee, or by any foreign government may
7 constitute a leasehold interest hereunder when the right to use such
8 property is granted pursuant to a contract solely for the manufacture
9 or production of articles for sale to the United States or any
10 foreign government. The term "leasehold interest" includes the rights
11 of use or occupancy by others of property which is owned in fee or
12 held in trust by a public corporation, commission, or authority
13 created under RCW 35.21.730 or 35.21.660 if the property is listed on
14 or is within a district listed on any federal or state register of
15 historical sites.

16 (b) The term "leasehold interest" does not include:

17 (i) Road or utility easements, rights of access, occupancy, or
18 use granted solely for the purpose of removing materials or products
19 purchased from an owner or the lessee of an owner, or rights of
20 access, occupancy, or use granted solely for the purpose of natural
21 energy resource exploration; or

22 (ii) The preferential use of publicly owned cargo cranes and
23 docks and associated areas used in the loading and discharging of
24 cargo located at a port district marine facility. "Preferential use"
25 means that publicly owned real or personal property is used by a
26 private party under a written agreement with the public owner, but
27 the public owner or any third party maintains a right to use the
28 property when not being used by the private party.

29 (2)(a) "Taxable rent" means contract rent as defined in (c) of
30 this subsection in all cases where the lease or agreement has been
31 established or renegotiated through competitive bidding, or
32 negotiated or renegotiated in accordance with statutory requirements
33 regarding the rent payable, or negotiated or renegotiated under
34 circumstances, established by public record, clearly showing that the
35 contract rent was the maximum attainable by the lessor. With respect
36 to a leasehold interest in privately owned property, "taxable rent"
37 means contract rent. However, after January 1, 1986, with respect to
38 any lease which has been in effect for ten years or more without
39 renegotiation, taxable rent may be established by procedures set
40 forth in (g) of this subsection. All other leasehold interests are

1 subject to the determination of taxable rent under the terms of (g)
2 of this subsection.

3 (b) For purposes of determining leasehold excise tax on any lands
4 on the Hanford reservation subleased to a private or public entity by
5 the department of ecology, taxable rent includes only the annual cash
6 rental payment made by such entity to the department of ecology as
7 specifically referred to as rent in the sublease agreement between
8 the parties and does not include any other fees, assessments, or
9 charges imposed on or collected by such entity irrespective of
10 whether the private or public entity pays or collects such other
11 fees, assessments, or charges as specified in the sublease agreement.

12 (c) "Contract rent" means the amount of consideration due as
13 payment for a leasehold interest, including: The total of cash
14 payments made to the lessor or to another party for the benefit of
15 the lessor according to the requirements of the lease or agreement,
16 including any rents paid by a sublessee; expenditures for the
17 protection of the lessor's interest when required by the terms of the
18 lease or agreement; and expenditures for improvements to the property
19 to the extent that such improvements become the property of the
20 lessor. Where the consideration conveyed for the leasehold interest
21 is made in combination with payment for concession or other rights
22 granted by the lessor, only that portion of such payment which
23 represents consideration for the leasehold interest is part of
24 contract rent.

25 (d) "Contract rent" does not include: (i) Expenditures made by
26 the lessee, which under the terms of the lease or agreement, are to
27 be reimbursed by the lessor to the lessee or expenditures for
28 improvements and protection made pursuant to a lease or an agreement
29 which requires that the use of the improved property be open to the
30 general public and that no profit will inure to the lessee from the
31 lease; (ii) expenditures made by the lessee for the replacement or
32 repair of facilities due to fire or other casualty including payments
33 for insurance to provide reimbursement for losses or payments to a
34 public or private entity for protection of such property from damage
35 or loss or for alterations or additions made necessary by an action
36 of government taken after the date of the execution of the lease or
37 agreement; (iii) improvements added to publicly owned property by a
38 sublessee under an agreement executed prior to January 1, 1976, which
39 have been taxed as personal property of the sublessee prior to
40 January 1, 1976, or improvements made by a sublessee of the same

1 lessee under a similar agreement executed prior to January 1, 1976,
2 and such improvements are taxable to the sublessee as personal
3 property; (iv) improvements added to publicly owned property if such
4 improvements are being taxed as personal property to any person.

5 (e) Any prepaid contract rent is considered to have been paid in
6 the year due and not in the year actually paid with respect to
7 prepayment for a period of more than one year. Expenditures for
8 improvements with a useful life of more than one year which are
9 included as part of contract rent must be treated as prepaid contract
10 rent and prorated over the useful life of the improvement or the
11 remaining term of the lease or agreement if the useful life is in
12 excess of the remaining term of the lease or agreement. Rent prepaid
13 prior to January 1, 1976, must be prorated from the date of
14 prepayment.

15 (f) With respect to a "product lease," the value is that value
16 determined at the time of sale under terms of the lease.

17 (g) If it is determined by the department of revenue, upon
18 examination of a lessee's accounts or those of a lessor of publicly
19 owned property, that a lessee is occupying or using publicly owned
20 property in such a manner as to create a leasehold interest and that
21 such leasehold interest has not been established through competitive
22 bidding, or negotiated in accordance with statutory requirements
23 regarding the rent payable, or negotiated under circumstances,
24 established by public record, clearly showing that the contract rent
25 was the maximum attainable by the lessor, the department may
26 establish a taxable rent computation for use in determining the tax
27 payable under authority granted in this chapter based upon the
28 following criteria: (i) Consideration must be given to rental being
29 paid to other lessors by lessees of similar property for similar
30 purposes over similar periods of time; (ii) consideration must be
31 given to what would be considered a fair rate of return on the market
32 value of the property leased less reasonable deductions for any
33 restrictions on use, special operating requirements or provisions for
34 concurrent use by the lessor, another person or the general public.

35 (3) "Product lease" as used in this chapter means a lease of
36 property for use in the production of agricultural or marine
37 products, not including the production of (~~marijuana~~) cannabis as
38 defined in RCW 69.50.101, to the extent that such lease provides for
39 the contract rent to be paid by the delivery of a stated percentage
40 of the production of such agricultural or marine products to the

1 credit of the lessor or the payment to the lessor of a stated
2 percentage of the proceeds from the sale of such products.

3 (4) "Renegotiated" means a change in the lease agreement which
4 changes the agreed time of possession, restrictions on use, the rate
5 of the cash rental or of any other consideration payable by the
6 lessee to or for the benefit of the lessor, other than any such
7 change required by the terms of the lease or agreement. In addition
8 "renegotiated" means a continuation of possession by the lessee
9 beyond the date when, under the terms of the lease agreement, the
10 lessee had the right to vacate the premises without any further
11 liability to the lessor.

12 (5) "City" means any city or town.

13 (6) "Products" includes natural resource products such as cut or
14 picked evergreen foliage, Cascara bark, wild edible mushrooms, native
15 ornamental trees and shrubs, ore and minerals, natural gas,
16 geothermal water and steam, and forage removed through the grazing of
17 livestock.

18 (7) "Publicly owned, or specified privately owned, real or
19 personal property" includes real or personal property:

20 (a) Owned in fee or held in trust by a public entity and exempt
21 from property tax under the laws or Constitution of this state or the
22 Constitution of the United States;

23 (b) Owned by a federally recognized Indian tribe in the state and
24 exempt from property tax under RCW 84.36.010;

25 (c) Owned by a nonprofit fair association exempt from property
26 tax under RCW 84.36.480(2), but only with respect to that portion of
27 the fair's property subject to the tax imposed in this chapter
28 pursuant to RCW 84.36.480(2)(b); or

29 (d) Owned by a community center exempt from property tax under
30 RCW 84.36.010.

31 **Sec. 163.** RCW 82.84.030 and 2019 c 2 s 3 are each amended to
32 read as follows:

33 For purposes of this chapter:

34 (1) "Alcoholic beverages" has the same meaning as provided in RCW
35 82.08.0293.

36 (2) "Groceries" means any raw or processed food or beverage, or
37 any ingredient thereof, intended for human consumption except
38 alcoholic beverages, (~~marijuana~~) cannabis products, and tobacco.
39 "Groceries" includes, but is not limited to, meat, poultry, fish,

1 fruits, vegetables, grains, bread, milk, cheese and other dairy
2 products, nonalcoholic beverages, kombucha with less than 0.5%
3 alcohol by volume, condiments, spices, cereals, seasonings, leavening
4 agents, eggs, cocoa, teas, and coffees whether raw or processed.

5 (3) "Local governmental entity" has the same meaning as provided
6 in RCW 4.96.010.

7 (4) (~~"Marijuana"~~) "Cannabis products" has the same meaning as
8 provided in RCW 69.50.101.

9 (5) "Tax, fee, or other assessment on groceries" includes, but is
10 not limited to, a sales tax, gross receipts tax, business and
11 occupation tax, business license tax, excise tax, privilege tax, or
12 any other similar levy, charge, or exaction of any kind on groceries
13 or the manufacture, distribution, sale, possession, ownership,
14 transfer, transportation, container, use, or consumption thereof.

15 (6) "Tobacco" has the same meaning as provided in RCW 82.08.0293.

16 **Sec. 164.** RCW 84.34.410 and 2014 c 140 s 27 are each amended to
17 read as follows:

18 The provisions of this chapter do not apply with respect to land
19 used in the growing, raising, or producing of (~~marijuana~~) cannabis,
20 useable (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-
21 infused products as those terms are defined under RCW 69.50.101.

22 **Sec. 165.** RCW 84.40.030 and 2014 c 140 s 29 are each amended to
23 read as follows:

24 (1) All property must be valued at one hundred percent of its
25 true and fair value in money and assessed on the same basis unless
26 specifically provided otherwise by law.

27 (2) Taxable leasehold estates must be valued at such price as
28 they would bring at a fair, voluntary sale for cash without any
29 deductions for any indebtedness owed including rentals to be paid.

30 (3) The true and fair value of real property for taxation
31 purposes (including property upon which there is a coal or other
32 mine, or stone or other quarry) must be based upon the following
33 criteria:

34 (a) Any sales of the property being appraised or similar
35 properties with respect to sales made within the past five years. The
36 appraisal must be consistent with the comprehensive land use plan,
37 development regulations under chapter 36.70A RCW, zoning, and any
38 other governmental policies or practices in effect at the time of

1 appraisal that affect the use of property, as well as physical and
2 environmental influences. An assessment may not be determined by a
3 method that assumes a land usage or highest and best use not
4 permitted, for that property being appraised, under existing zoning
5 or land use planning ordinances or statutes or other government
6 restrictions. The appraisal must also take into account: (i) In the
7 use of sales by real estate contract as similar sales, the extent, if
8 any, to which the stated selling price has been increased by reason
9 of the down payment, interest rate, or other financing terms; and
10 (ii) the extent to which the sale of a similar property actually
11 represents the general effective market demand for property of such
12 type, in the geographical area in which such property is located.
13 Sales involving deed releases or similar seller-developer financing
14 arrangements may not be used as sales of similar property.

15 (b) In addition to sales as defined in subsection (3)(a) of this
16 section, consideration may be given to cost, cost less depreciation,
17 reconstruction cost less depreciation, or capitalization of income
18 that would be derived from prudent use of the property, as limited by
19 law or ordinance. Consideration should be given to any agreement,
20 between an owner of rental housing and any government agency, that
21 restricts rental income, appreciation, and liquidity; and to the
22 impact of government restrictions on operating expenses and on
23 ownership rights in general of such housing. In the case of property
24 of a complex nature, or being used under terms of a franchise from a
25 public agency, or operating as a public utility, or property not
26 having a record of sale within five years and not having a
27 significant number of sales of similar property in the general area,
28 the provisions of this subsection must be the dominant factors in
29 valuation. When provisions of this subsection are relied upon for
30 establishing values the property owner must be advised upon request
31 of the factors used in arriving at such value.

32 (c) In valuing any tract or parcel of real property, the true and
33 fair value of the land, exclusive of structures thereon must be
34 determined; also the true and fair value of structures thereon, but
35 the valuation may not exceed the true and fair value of the total
36 property as it exists. In valuing agricultural land, growing crops
37 must be excluded. For purposes of this subsection (3)(c), "growing
38 crops" does not include (~~marijuana~~) cannabis as defined under RCW
39 69.50.101.

1 NEW SECTION. **Sec. 166.** A new section is added to chapter 69.50
2 RCW to read as follows:
3 The board must use expedited rule making under RCW 34.05.353 to
4 replace the term "marijuana" with the term "cannabis" throughout
5 Title 314 WAC.

6 NEW SECTION. **Sec. 167.** A new section is added to chapter 69.50
7 RCW to read as follows:
8 The term "marijuana" as used under federal law generally refers
9 to the term "cannabis" used throughout the Revised Code of
10 Washington.

11 NEW SECTION. **Sec. 168.** Sections 49 and 113 of this act expire
12 July 1, 2022.

13 NEW SECTION. **Sec. 169.** Sections 63 and 66 of this act expire
14 July 1, 2024.

15 NEW SECTION. **Sec. 170.** Section 8 of this act expires July 1,
16 2030.

17 NEW SECTION. **Sec. 171.** Sections 50 and 114 of this act take
18 effect July 1, 2022.

19 NEW SECTION. **Sec. 172.** Sections 64 and 67 of this act take
20 effect July 1, 2024.

21 NEW SECTION. **Sec. 173.** Section 9 of this act takes effect July
22 1, 2030.

--- END ---