
SECOND SUBSTITUTE HOUSE BILL 1210

State of Washington

67th Legislature

2022 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 01/18/22.

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.518, 9.94A.650, 13.40.0357,
4 13.40.0357, 15.13.270, 15.13.270, 15.17.020, 15.49.061, 15.125.010,
5 15.125.020, 15.125.030, 15.125.040, 15.125.050, 15.140.020,
6 15.140.100, 15.140.120, 18.170.020, 19.02.110, 20.01.030,
7 28A.210.325, 28B.20.502, 38.38.762, 42.56.270, 42.56.620, 42.56.625,
8 42.56.630, 43.05.160, 43.06.490, 43.06.520, 43.21A.735, 43.330.540,
9 46.20.308, 46.25.120, 46.61.502, 46.61.503, 46.61.504, 46.61.50571,
10 46.61.5249, 46.61.745, 66.08.050, 69.04.480, 69.07.010, 69.07.020,
11 69.07.200, 69.50.102, 69.50.204, 69.50.325, 69.50.326, 69.50.327,
12 69.50.328, 69.50.331, 69.50.334, 69.50.335, 69.50.336, 69.50.339,
13 69.50.342, 69.50.345, 69.50.346, 69.50.348, 69.50.348, 69.50.351,
14 69.50.354, 69.50.363, 69.50.366, 69.50.369, 69.50.375, 69.50.378,
15 69.50.380, 69.50.382, 69.50.385, 69.50.390, 69.50.395, 69.50.401,
16 69.50.4013, 69.50.4013, 69.50.4014, 69.50.4014, 69.50.408, 69.50.410,
17 69.50.412, 69.50.4121, 69.50.435, 69.50.445, 69.50.450, 69.50.465,
18 69.50.475, 69.50.505, 69.50.515, 69.50.530, 69.50.535, 69.50.540,
19 69.50.550, 69.50.555, 69.50.560, 69.50.562, 69.50.563, 69.50.564,
20 69.50.570, 69.50.575, 69.50.580, 69.51.020, 69.51.030, 69.51.060,
21 69.51A.005, 69.51A.010, 69.51A.030, 69.51A.040, 69.51A.043,
22 69.51A.045, 69.51A.050, 69.51A.060, 69.51A.100, 69.51A.210,
23 69.51A.220, 69.51A.225, 69.51A.240, 69.51A.250, 69.51A.260,

1 69.51A.270, 69.51A.290, 69.51A.300, 69.51A.310, 70.345.010,
2 79A.60.040, 82.02.010, 82.04.100, 82.04.213, 82.04.260, 82.04.331,
3 82.04.4266, 82.04.756, 82.08.010, 82.08.020, 82.08.02565, 82.08.0257,
4 82.08.0273, 82.08.02745, 82.08.0281, 82.08.0288, 82.08.0293,
5 82.08.820, 82.08.9997, 82.08.9998, 82.12.02565, 82.12.0258,
6 82.12.0283, 82.12.9997, 82.12.9998, 82.14.430, 82.16.050, 82.25.005,
7 82.29A.020, 82.84.030, 84.34.410, and 84.40.030; reenacting and
8 amending RCW 9.96.060, 69.50.101, 69.50.345, 69.50.357, 69.50.360,
9 69.50.372, and 69.51A.230; adding a new section to chapter 46.04 RCW;
10 adding new sections to chapter 69.50 RCW; creating a new section;
11 providing effective dates; and 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 2021 c 311 s 15 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.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 or deliver a counterfeit
5 controlled substance (RCW
6 69.50.4011(1)(a))
- 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 Unlawful Use of Building for Drug
8 Purposes (RCW 69.53.010)

9 **Sec. 5.** RCW 9.94A.518 and 2003 c 53 s 57 are each amended to
10 read as follows:

11 TABLE 4

12 DRUG OFFENSES
13 INCLUDED WITHIN EACH
14 SERIOUSNESS LEVEL

- 15 III Any felony offense under chapter
16 69.50 RCW with a deadly weapon
17 special verdict under RCW
18 ((9.94A.602)) 9.94A.825
19 Controlled Substance Homicide (RCW
20 69.50.415)
21 Delivery of imitation controlled
22 substance by person eighteen or
23 over to person under eighteen
24 (RCW 69.52.030(2))
25 Involving a minor in drug dealing
26 (RCW 69.50.4015)
27 Manufacture of methamphetamine
28 (RCW 69.50.401(2)(b))
29 Over 18 and deliver heroin,
30 methamphetamine, a narcotic from
31 Schedule I or II, or flunitrazepam
32 from Schedule IV to someone
33 under 18 (RCW 69.50.406)

1 Over 18 and deliver narcotic from
2 Schedule III, IV, or V or a
3 nonnarcotic, except flunitrazepam
4 or methamphetamine, from
5 Schedule I-V to someone under 18
6 and 3 years junior (RCW
7 69.50.406)

8 Possession of Ephedrine,
9 Pseudoephedrine, or Anhydrous
10 Ammonia with intent to
11 manufacture
12 methamphetamine (RCW
13 69.50.440)

14 Selling for profit (controlled or
15 counterfeit) any controlled
16 substance (RCW 69.50.410)

17 II Create, deliver, or possess a counterfeit
18 controlled substance (RCW
19 69.50.4011)

20 Deliver or possess with intent to
21 deliver methamphetamine (RCW
22 69.50.401(2)(b))

23 Delivery of a material in lieu of a
24 controlled substance (RCW
25 69.50.4012)

26 Maintaining a Dwelling or Place for
27 Controlled Substances (RCW
28 69.50.402(1)(f))

29 Manufacture, deliver, or possess with
30 intent to deliver amphetamine
31 (RCW 69.50.401(2)(b))

32 Manufacture, deliver, or possess with
33 intent to deliver narcotics from
34 Schedule I or II or flunitrazepam
35 from Schedule IV (RCW
36 69.50.401(2)(a))

1 Manufacture, deliver, or possess with
2 intent to deliver narcotics from
3 Schedule III, IV, or V or
4 nonnarcotics from Schedule I-V
5 (except ((~~marijuana~~)) cannabis as
6 defined in RCW 69.50.101,
7 amphetamine, methamphetamines,
8 or flunitrazepam) (RCW
9 69.50.401(2) (c) through (e))

10 Manufacture, distribute, or possess
11 with intent to distribute an
12 imitation controlled substance
13 (RCW 69.52.030(1))

14 I Forged Prescription (RCW 69.41.020)

15 Forged Prescription for a Controlled
16 Substance (RCW 69.50.403)

17 Manufacture, deliver, or possess with
18 intent to deliver ((~~marijuana~~))
19 cannabis as defined in RCW
20 69.50.101 (RCW 69.50.401(2)(c))

21 Possess Controlled Substance that is a
22 Narcotic from Schedule III, IV, or
23 V or Nonnarcotic from Schedule I-
24 V (RCW 69.50.4013)

25 Possession of Controlled Substance
26 that is either heroin or narcotics
27 from Schedule I or II (RCW
28 69.50.4013)

29 Unlawful Use of Building for Drug
30 Purposes (RCW 69.53.010)

31 **Sec. 6.** RCW 9.94A.650 and 2011 1st sp.s. c 40 s 9 are each
32 amended to read as follows:

33 (1) This section applies to offenders who have never been
34 previously convicted of a felony in this state, federal court, or
35 another state, and who have never participated in a program of
36 deferred prosecution for a felony, and who are convicted of a felony
37 that is not:

1 (a) Classified as a violent offense or a sex offense under this
2 chapter;

3 (b) Manufacture, delivery, or possession with intent to
4 manufacture or deliver a controlled substance classified in Schedule
5 I or II that is a narcotic drug or flunitrazepam classified in
6 Schedule IV;

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

10 (d) The selling for profit of any controlled substance or
11 counterfeit substance classified in Schedule I, RCW 69.50.204, except
12 leaves and flowering tops of (~~marihuana~~) cannabis; or

13 (e) Felony driving while under the influence of intoxicating
14 liquor or any drug or felony physical control of a vehicle while
15 under the influence of intoxicating liquor or any drug.

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

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

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

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

31 **Sec. 7.** RCW 9.96.060 and 2021 c 237 s 4 and 2021 c 215 s 105 are
32 each reenacted and amended to read as follows:

33 (1) When vacating a conviction under this section, the court
34 effectuates the vacation by: (a)(i) Permitting the applicant to
35 withdraw the applicant's plea of guilty and to enter a plea of not
36 guilty; or (ii) if the applicant has been convicted after a plea of
37 not guilty, the court setting aside the verdict of guilty; and (b)
38 the court dismissing the information, indictment, complaint, or

1 citation against the applicant and vacating the judgment and
2 sentence.

3 (2) Every person convicted of a misdemeanor or gross misdemeanor
4 offense may apply to the sentencing court for a vacation of the
5 applicant's record of conviction for the offense. If the court finds
6 the applicant meets the requirements of this subsection, the court
7 may in its discretion vacate the record of conviction. Except as
8 provided in subsections (3), (4), and (5) of this section, an
9 applicant may not have the record of conviction for a misdemeanor or
10 gross misdemeanor offense vacated if any one of the following is
11 present:

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

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

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

19 (d) The offense was a violation of RCW 46.61.502 (driving while
20 under the influence), 46.61.504 (actual physical control while under
21 the influence), 9.91.020 (operating a railroad, etc. while
22 intoxicated), or the offense is considered a "prior offense" under
23 RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug
24 violation within ten years of the date of arrest for the prior
25 offense or less than ten years has elapsed since the date of the
26 arrest for the prior offense;

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

32 (f) The applicant was convicted of a misdemeanor or gross
33 misdemeanor offense as defined in RCW 10.99.020, or the court
34 determines after a review of the court file that the offense was
35 committed by one family or household member against another or by one
36 intimate partner against another, or the court, after considering the
37 damage to person or property that resulted in the conviction, any
38 prior convictions for crimes defined in RCW 10.99.020, or for
39 comparable offenses in another state or in federal court, and the
40 totality of the records under review by the court regarding the

1 conviction being considered for vacation, determines that the offense
2 involved domestic violence, and any one of the following factors
3 exist:

4 (i) The applicant has not provided written notification of the
5 vacation petition to the prosecuting attorney's office that
6 prosecuted the offense for which vacation is sought, or has not
7 provided that notification to the court;

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

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

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

21 (g) For any offense other than those described in (f) of this
22 subsection, less than three years have passed since the person
23 completed the terms of the sentence, including any financial
24 obligations;

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

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

34 (3) If the applicant is a victim of sex trafficking,
35 prostitution, or commercial sexual abuse of a minor; sexual assault;
36 or domestic violence as defined in RCW 9.94A.030, or the prosecutor
37 applies on behalf of the state, the sentencing court may vacate the
38 record of conviction if the application satisfies the requirements of
39 RCW 9.96.080. When preparing or filing the petition, the prosecutor
40 is not deemed to be providing legal advice or legal assistance on

1 behalf of the victim, but is fulfilling an administrative function on
2 behalf of the state in order to further their responsibility to seek
3 to reform and improve the administration of criminal justice. A
4 record of conviction vacated using the process in RCW 9.96.080 is
5 subject to subsections (6) and (7) of this section.

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

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

20 (b) The state has been enjoined from taking enforcement action of
21 the statute or rule to the extent that it interferes with a treaty
22 Indian fishing right as determined under *United States v. Washington*,
23 384 F. Supp. 312 (W.D. Wash. 1974), or *Sohappy v. Smith*, 302 F. Supp.
24 899 (D. Oregon 1969), and any posttrial orders of those courts, or
25 any other state supreme court or federal court decision.

26 (5) Every person convicted of a misdemeanor (~~(marijuana)~~)
27 cannabis offense, who was twenty-one years of age or older at the
28 time of the offense, may apply to the sentencing court for a vacation
29 of the applicant's record of conviction for the offense. A
30 misdemeanor (~~(marijuana)~~) cannabis offense includes, but is not
31 limited to: Any offense under RCW 69.50.4014, from July 1, 2004,
32 onward, and its predecessor statutes, including RCW 69.50.401(e),
33 from March 21, 1979, to July 1, 2004, and RCW 69.50.401(d), from May
34 21, 1971, to March 21, 1979, and any offense under an equivalent
35 municipal ordinance. If an applicant qualifies under this subsection,
36 the court shall vacate the record of conviction.

37 (6) A person who is a family member of a homicide victim may
38 apply to the sentencing court on the behalf of the victim for
39 vacation of the victim's record of conviction for prostitution under

1 RCW 9A.88.030. If an applicant qualifies under this subsection, the
2 court shall vacate the victim's record of conviction.

3 (7) (a) Except as provided in (c) of this subsection, once the
4 court vacates a record of conviction under this section, the person
5 shall be released from all penalties and disabilities resulting from
6 the offense and the fact that the person has been convicted of the
7 offense shall not be included in the person's criminal history for
8 purposes of determining a sentence in any subsequent conviction. For
9 all purposes, including responding to questions on employment or
10 housing applications, a person whose conviction has been vacated
11 under this section may state that he or she has never been convicted
12 of that crime. However, nothing in this section affects the
13 requirements for restoring a right to possess a firearm under RCW
14 9.41.040. Except as provided in (b) of this subsection, nothing in
15 this section affects or prevents the use of an offender's prior
16 conviction in a later criminal prosecution.

17 (b) When a court vacates a record of domestic violence as defined
18 in RCW 10.99.020 under this section, the state may not use the
19 vacated conviction in a later criminal prosecution unless the
20 conviction was for: (i) Violating the provisions of a restraining
21 order, no-contact order, or protection order restraining or enjoining
22 the person or restraining the person from going on to the grounds of
23 or entering a residence, workplace, school, or day care, or
24 prohibiting the person from knowingly coming within, or knowingly
25 remaining within, a specified distance of a location, a protected
26 party's person, or a protected party's vehicle (RCW 10.99.040,
27 10.99.050, 26.09.300, 26.26B.050, 26.44.063, 26.44.150, or 26.52.070,
28 or any of the former RCW 26.50.060, 26.50.070, 26.50.130, and
29 74.34.145); (ii) stalking (RCW 9A.46.110); or (iii) a domestic
30 violence protection order or vulnerable adult protection order
31 entered under chapter 7.105 RCW. A vacated conviction under this
32 section is not considered a conviction of such an offense for the
33 purposes of 27 C.F.R. 478.11.

34 (c) A conviction vacated on or after July 28, 2019, qualifies as
35 a prior conviction for the purpose of charging a present recidivist
36 offense as defined in RCW 9.94A.030 occurring on or after July 28,
37 2019.

38 (8) The clerk of the court in which the vacation order is entered
39 shall immediately transmit the order vacating the conviction to the
40 Washington state patrol identification section and to the local

1 police agency, if any, which holds criminal history information for
 2 the person who is the subject of the conviction. The Washington state
 3 patrol and any such local police agency shall immediately update
 4 their records to reflect the vacation of the conviction, and shall
 5 transmit the order vacating the conviction to the federal bureau of
 6 investigation. A conviction that has been vacated under this section
 7 may not be disseminated or disclosed by the state patrol or local law
 8 enforcement agency to any person, except other criminal justice
 9 enforcement agencies.

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

12 **Sec. 8.** RCW 13.40.0357 and 2021 c 311 s 16 are each amended to
 13 read as follows:

14 **DESCRIPTION AND OFFENSE CATEGORY**

		JUVENILE DISPOSITION
JUVENILE		CATEGORY FOR
DISPOSITION		ATTEMPT, BAILJUMP,
OFFENSE		CONSPIRACY, OR
CATEGORY	DESCRIPTION (RCW CITATION)	SOLICITATION

15 **Arson and Malicious Mischief**

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

26 **Assault and Other Crimes Involving**
 27 **Physical Harm**

28	A	Assault 1 (9A.36.011)	B+
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1	B+	Assault 2 (9A.36.021)	C+
2	C+	Assault 3 (9A.36.031)	D+
3	D+	Assault 4 (9A.36.041)	E
4	B+	Drive-By Shooting (9A.36.045)	C+
5		committed at age 15 or under	
6	A++	Drive-By Shooting (9A.36.045)	A
7		committed at age 16 or 17	
8	D+	Reckless Endangerment (9A.36.050)	E
9	C+	Promoting Suicide Attempt (9A.36.060)	D+
10	D+	Coercion (9A.36.070)	E
11	C+	Custodial Assault (9A.36.100)	D+
12		Burglary and Trespass	
13	B+	Burglary 1 (9A.52.020) committed at	C+
14		age 15 or under	
15	A-	Burglary 1 (9A.52.020) committed at	B+
16		age 16 or 17	
17	B	Residential Burglary (9A.52.025)	C
18	B	Burglary 2 (9A.52.030)	C
19	D	Burglary Tools (Possession of)	E
20		(9A.52.060)	
21	D	Criminal Trespass 1 (9A.52.070)	E
22	E	Criminal Trespass 2 (9A.52.080)	E
23	C	Mineral Trespass (78.44.330)	C
24	C	Vehicle Prowling 1 (9A.52.095)	D
25	D	Vehicle Prowling 2 (9A.52.100)	E
26		Drugs	
27	E	Possession/Consumption of Alcohol	E
28		(66.44.270)	
29	C	Illegally Obtaining Legend Drug	D
30		(69.41.020)	
31	C+	Sale, Delivery, Possession of Legend	D+
32		Drug with Intent to Sell (69.41.030(2)(a))	
33	E	Possession of Legend	E
34		Drug (69.41.030(2)(b))	

1	B+	Violation of Uniform Controlled	B+
2		Substances Act - Narcotic,	
3		Methamphetamine, or Flunitrazepam	
4		Sale (69.50.401(2) (a) or (b))	
5	C	Violation of Uniform Controlled	C
6		Substances Act - Nonnarcotic Sale	
7		(69.50.401(2)(c))	
8	E	Possession of ((Marihuana) <u>Cannabis</u>)	E
9		<40 grams (69.50.4014)	
10	C	Fraudulently Obtaining Controlled	C
11		Substance (69.50.403)	
12	C+	Sale of Controlled Substance for Profit	C+
13		(69.50.410)	
14	E	Unlawful Inhalation (9.47A.020)	E
15	B	Violation of Uniform Controlled	B
16		Substances Act - Narcotic,	
17		Methamphetamine, or Flunitrazepam	
18		Counterfeit Substances (69.50.4011(2)	
19		(a) or (b))	
20	C	Violation of Uniform Controlled	C
21		Substances Act - Nonnarcotic Counterfeit	
22		Substances (69.50.4011(2) (c), (d), or (e))	
23	E	Violation of Uniform Controlled	E
24		Substances Act - Possession of a	
25		Controlled Substance (69.50.4013)	
26	C	Violation of Uniform Controlled	C
27		Substances Act - Possession of a	
28		Controlled Substance (69.50.4012)	
29		Firearms and Weapons	
30	B	Theft of Firearm (9A.56.300)	C
31	B	Possession of Stolen Firearm	C
32		(9A.56.310)	
33	E	Carrying Loaded Pistol Without Permit	E
34		(9.41.050)	
35	C	Possession of Firearms by Minor (<18)	C
36		(9.41.040(2)(a)(vi))	
37	D+	Possession of Dangerous Weapon	E
38		(9.41.250)	

1	D	Intimidating Another Person by use of	E
2		Weapon (9.41.270)	
3		Homicide	
4	A+	Murder 1 (9A.32.030)	A
5	A+	Murder 2 (9A.32.050)	B+
6	B+	Manslaughter 1 (9A.32.060)	C+
7	C+	Manslaughter 2 (9A.32.070)	D+
8	B+	Vehicular Homicide (46.61.520)	C+
9		Kidnapping	
10	A	Kidnap 1 (9A.40.020)	B+
11	B+	Kidnap 2 (9A.40.030)	C+
12	C+	Unlawful Imprisonment (9A.40.040)	D+
13		Obstructing Governmental Operation	
14	D	Obstructing a Law Enforcement Officer	E
15		(9A.76.020)	
16	E	Resisting Arrest (9A.76.040)	E
17	B	Introducing Contraband 1 (9A.76.140)	C
18	C	Introducing Contraband 2 (9A.76.150)	D
19	E	Introducing Contraband 3 (9A.76.160)	E
20	B+	Intimidating a Public Servant	C+
21		(9A.76.180)	
22	B+	Intimidating a Witness (9A.72.110)	C+
23		Public Disturbance	
24	C+	Criminal Mischief with Weapon	D+
25		(9A.84.010(2)(b))	
26	D+	Criminal Mischief Without Weapon	E
27		(9A.84.010(2)(a))	
28	E	Failure to Disperse (9A.84.020)	E
29	E	Disorderly Conduct (9A.84.030)	E
30		Sex Crimes	
31	A	Rape 1 (9A.44.040)	B+
32	B++	Rape 2 (9A.44.050) committed at age 14	B+
33		or under	
34	A-	Rape 2 (9A.44.050) committed at age 15	B+
35		through age 17	
36	C+	Rape 3 (9A.44.060)	D+

1	B++	Rape of a Child 1 (9A.44.073)	B+
2		committed at age 14 or under	
3	A-	Rape of a Child 1 (9A.44.073)	B+
4		committed at age 15	
5	B+	Rape of a Child 2 (9A.44.076)	C+
6	B	Incest 1 (9A.64.020(1))	C
7	C	Incest 2 (9A.64.020(2))	D
8	D+	Indecent Exposure (Victim <14)	E
9		(9A.88.010)	
10	E	Indecent Exposure (Victim 14 or over)	E
11		(9A.88.010)	
12	B+	Promoting Prostitution 1 (9A.88.070)	C+
13	C+	Promoting Prostitution 2 (9A.88.080)	D+
14	E	O & A (Prostitution) (9A.88.030)	E
15	B+	Indecent Liberties (9A.44.100)	C+
16	B++	Child Molestation 1 (9A.44.083)	B+
17		committed at age 14 or under	
18	A-	Child Molestation 1 (9A.44.083)	B+
19		committed at age 15 through age 17	
20	B	Child Molestation 2 (9A.44.086)	C+
21	C	Failure to Register as a Sex Offender	D
22		(9A.44.132)	
23		Theft, Robbery, Extortion, and	
24		Forgery	
25	B	Theft 1 (9A.56.030)	C
26	C	Theft 2 (9A.56.040)	D
27	D	Theft 3 (9A.56.050)	E
28	B	Theft of Livestock 1 and 2 (9A.56.080	C
29		and 9A.56.083)	
30	C	Forgery (9A.60.020)	D
31	A	Robbery 1 (9A.56.200) committed at	B+
32		age 15 or under	
33	A++	Robbery 1 (9A.56.200) committed at	A
34		age 16 or 17	
35	B+	Robbery 2 (9A.56.210)	C+
36	B+	Extortion 1 (9A.56.120)	C+
37	C+	Extortion 2 (9A.56.130)	D+

1	C	Identity Theft 1 (9.35.020(2))	D
2	D	Identity Theft 2 (9.35.020(3))	E
3	D	Improperly Obtaining Financial	E
4		Information (9.35.010)	
5	B	Possession of a Stolen Vehicle	C
6		(9A.56.068)	
7	B	Possession of Stolen Property 1	C
8		(9A.56.150)	
9	C	Possession of Stolen Property 2	D
10		(9A.56.160)	
11	D	Possession of Stolen Property 3	E
12		(9A.56.170)	
13	B	Taking Motor Vehicle Without	C
14		Permission 1 (9A.56.070)	
15	C	Taking Motor Vehicle Without	D
16		Permission 2 (9A.56.075)	
17	B	Theft of a Motor Vehicle (9A.56.065)	C
18		Motor Vehicle Related Crimes	
19	E	Driving Without a License (46.20.005)	E
20	B+	Hit and Run - Death (46.52.020(4)(a))	C+
21	C	Hit and Run - Injury (46.52.020(4)(b))	D
22	D	Hit and Run-Attended (46.52.020(5))	E
23	E	Hit and Run-Unattended (46.52.010)	E
24	C	Vehicular Assault (46.61.522)	D
25	C	Attempting to Elude Pursuing Police	D
26		Vehicle (46.61.024)	
27	E	Reckless Driving (46.61.500)	E
28	D	Driving While Under the Influence	E
29		(46.61.502 and 46.61.504)	
30	B+	Felony Driving While Under the	B
31		Influence (46.61.502(6))	
32	B+	Felony Physical Control of a Vehicle	B
33		While Under the Influence (46.61.504(6))	
34		Other	
35	B	Animal Cruelty 1 (16.52.205)	C
36	B	Bomb Threat (9.61.160)	C

1	C	Escape 1 ¹ (9A.76.110)	C
2	C	Escape 2 ¹ (9A.76.120)	C
3	D	Escape 3 (9A.76.130)	E
4	E	Obscene, Harassing, Etc., Phone Calls	E
5		(9.61.230)	
6	A	Other Offense Equivalent to an Adult	B+
7		Class A Felony	
8	B	Other Offense Equivalent to an Adult	C
9		Class B Felony	
10	C	Other Offense Equivalent to an Adult	D
11		Class C Felony	
12	D	Other Offense Equivalent to an Adult	E
13		Gross Misdemeanor	
14	E	Other Offense Equivalent to an Adult	E
15		Misdemeanor	
16	V	Violation of Order of Restitution,	V
17		Community Supervision, or Confinement	
18		(13.40.200) ²	

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

21 1st escape or attempted escape during 12-month period - 28 days
22 confinement

23 2nd escape or attempted escape during 12-month period - 8 weeks
24 confinement

25 3rd and subsequent escape or attempted escape during 12-month
26 period - 12 weeks confinement

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

29 **JUVENILE SENTENCING STANDARDS**

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

32 **OPTION A**

33 **JUVENILE OFFENDER SENTENCING GRID**

34 **STANDARD RANGE**

35

 A++ 129 to 260 weeks for all category A++ offenses

1	A+	180 weeks to age 21 for all category A+ offenses					
2	A	103-129 weeks for all category A offenses					
3	A-	30-40 weeks	52-65 weeks	80-100 weeks	103-129 weeks	103-129 weeks	
4	B++	15-36 weeks	52-65 weeks	80-100 weeks	103-129 weeks	103-129 weeks	
5	CURRENT	B+	15-36 weeks	15-36 weeks	52-65 weeks	80-100 weeks	103-129 weeks
6	OFFENSE	B	LS	LS	15-36 weeks	15-36 weeks	52-65 weeks
7	CATEGORY	C+	LS	LS	LS	15-36 weeks	15-36 weeks
8		C	LS	LS	LS	LS	15-36 weeks
9		D+	LS	LS	LS	LS	LS
10		D	LS	LS	LS	LS	LS
11		E	LS	LS	LS	LS	LS
12	PRIOR		0	1	2	3	4 or more
13	ADJUDICATIONS						

14 NOTE: References in the grid to days or weeks mean periods of
15 confinement. "LS" means "local sanctions" as defined in RCW
16 13.40.020.

17 (1) The vertical axis of the grid is the current offense
18 category. The current offense category is determined by the offense
19 of adjudication.

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

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

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

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

33 **OR**
34 **OPTION B**
35 **SUSPENDED DISPOSITION ALTERNATIVE**

1 (1) If the offender is subject to a standard range disposition
2 involving confinement by the department, the court may impose the
3 standard range and suspend the disposition on condition that the
4 offender comply with one or more local sanctions and any educational
5 or treatment requirement. The treatment programs provided to the
6 offender must be either research-based best practice programs as
7 identified by the Washington state institute for public policy or the
8 joint legislative audit and review committee, or for chemical
9 dependency treatment programs or services, they must be evidence-
10 based or research-based best practice programs. For the purposes of
11 this subsection:

12 (a) "Evidence-based" means a program or practice that has had
13 multiple site random controlled trials across heterogeneous
14 populations demonstrating that the program or practice is effective
15 for the population; and

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

19 (2) If the offender fails to comply with the suspended
20 disposition, the court may impose sanctions pursuant to RCW 13.40.200
21 or may revoke the suspended disposition and order the disposition's
22 execution.

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

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

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

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

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

31 (iii) Assault in the second degree (RCW 9A.36.021), extortion in
32 the first degree (RCW 9A.56.120), kidnapping in the second degree
33 (RCW 9A.40.030), drive-by shooting (RCW 9A.36.045), vehicular
34 homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), or
35 manslaughter 2 (RCW 9A.32.070); or

36 (iv) Violation of the uniform controlled substances act (RCW
37 69.50.401(2) (a) and (b)), when the offense includes infliction of
38 bodily harm upon another or when during the commission or immediate

1 withdrawal from the offense the respondent was armed with a deadly
2 weapon;

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

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

7 (e) Has a prior option B disposition.

8 **OR**

9 **OPTION C**

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

11 If the juvenile offender is subject to a standard range
12 disposition of local sanctions or 15 to 36 weeks of confinement and
13 has not committed a B++ or B+ offense, the court may impose a
14 disposition under RCW 13.40.160(4) and 13.40.165.

15 **OR**

16 **OPTION D**

17 **MANIFEST INJUSTICE**

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

21 **Sec. 9.** RCW 13.40.0357 and 2020 c 18 s 8 are each amended to
22 read as follows:

23 **DESCRIPTION AND OFFENSE CATEGORY**

		JUVENILE DISPOSITION	
JUVENILE		CATEGORY FOR	
DISPOSITION		ATTEMPT, BAILJUMP,	
OFFENSE		CONSPIRACY, OR	
CATEGORY	DESCRIPTION (RCW CITATION)	SOLICITATION	
Arson and Malicious Mischief			
A	Arson 1 (9A.48.020)	B+	
B	Arson 2 (9A.48.030)	C	
C	Reckless Burning 1 (9A.48.040)	D	
D	Reckless Burning 2 (9A.48.050)	E	
B	Malicious Mischief 1 (9A.48.070)	C	
C	Malicious Mischief 2 (9A.48.080)	D	

1	D	Malicious Mischief 3 (9A.48.090)	E
2	E	Tampering with Fire Alarm Apparatus	E
3		(9.40.100)	
4	E	Tampering with Fire Alarm Apparatus	E
5		with Intent to Commit Arson (9.40.105)	
6	A	Possession of Incendiary Device	B+
7		(9.40.120)	
8		Assault and Other Crimes Involving	
9		Physical Harm	
10	A	Assault 1 (9A.36.011)	B+
11	B+	Assault 2 (9A.36.021)	C+
12	C+	Assault 3 (9A.36.031)	D+
13	D+	Assault 4 (9A.36.041)	E
14	B+	Drive-By Shooting (9A.36.045)	C+
15		committed at age 15 or under	
16	A++	Drive-By Shooting (9A.36.045)	A
17		committed at age 16 or 17	
18	D+	Reckless Endangerment (9A.36.050)	E
19	C+	Promoting Suicide Attempt (9A.36.060)	D+
20	D+	Coercion (9A.36.070)	E
21	C+	Custodial Assault (9A.36.100)	D+
22		Burglary and Trespass	
23	B+	Burglary 1 (9A.52.020) committed at	C+
24		age 15 or under	
25	A-	Burglary 1 (9A.52.020) committed at	B+
26		age 16 or 17	
27	B	Residential Burglary (9A.52.025)	C
28	B	Burglary 2 (9A.52.030)	C
29	D	Burglary Tools (Possession of)	E
30		(9A.52.060)	
31	D	Criminal Trespass 1 (9A.52.070)	E
32	E	Criminal Trespass 2 (9A.52.080)	E
33	C	Mineral Trespass (78.44.330)	C
34	C	Vehicle Prowling 1 (9A.52.095)	D
35	D	Vehicle Prowling 2 (9A.52.100)	E
36		Drugs	

1	E	Possession/Consumption of Alcohol	E
2		(66.44.270)	
3	C	Illegally Obtaining Legend Drug	D
4		(69.41.020)	
5	C+	Sale, Delivery, Possession of Legend	D+
6		Drug with Intent to Sell (69.41.030(2)(a))	
7	E	Possession of Legend	E
8		Drug (69.41.030(2)(b))	
9	B+	Violation of Uniform Controlled	B+
10		Substances Act - Narcotic,	
11		Methamphetamine, or Flunitrazepam	
12		Sale (69.50.401(2) (a) or (b))	
13	C	Violation of Uniform Controlled	C
14		Substances Act - Nonnarcotic Sale	
15		(69.50.401(2)(c))	
16	E	Possession of (Marijuana) <u>Cannabis</u>	E
17		<40 grams (69.50.4014)	
18	C	Fraudulently Obtaining Controlled	C
19		Substance (69.50.403)	
20	C+	Sale of Controlled Substance for Profit	C+
21		(69.50.410)	
22	E	Unlawful Inhalation (9.47A.020)	E
23	B	Violation of Uniform Controlled	B
24		Substances Act - Narcotic,	
25		Methamphetamine, or Flunitrazepam	
26		Counterfeit Substances (69.50.4011(2)	
27		(a) or (b))	
28	C	Violation of Uniform Controlled	C
29		Substances Act - Nonnarcotic Counterfeit	
30		Substances (69.50.4011(2) (c), (d), or (e))	
31	C	Violation of Uniform Controlled	C
32		Substances Act - Possession of a	
33		Controlled Substance (69.50.4013)	
34	C	Violation of Uniform Controlled	C
35		Substances Act - Possession of a	
36		Controlled Substance (69.50.4012)	
37		Firearms and Weapons	
38	B	Theft of Firearm (9A.56.300)	C

1	B	Possession of Stolen Firearm	C
2		(9A.56.310)	
3	E	Carrying Loaded Pistol Without Permit	E
4		(9.41.050)	
5	C	Possession of Firearms by Minor (<18)	C
6		(9.41.040(2)(a)(vi))	
7	D+	Possession of Dangerous Weapon	E
8		(9.41.250)	
9	D	Intimidating Another Person by use of	E
10		Weapon (9.41.270)	
11		Homicide	
12	A+	Murder 1 (9A.32.030)	A
13	A+	Murder 2 (9A.32.050)	B+
14	B+	Manslaughter 1 (9A.32.060)	C+
15	C+	Manslaughter 2 (9A.32.070)	D+
16	B+	Vehicular Homicide (46.61.520)	C+
17		Kidnapping	
18	A	Kidnap 1 (9A.40.020)	B+
19	B+	Kidnap 2 (9A.40.030)	C+
20	C+	Unlawful Imprisonment (9A.40.040)	D+
21		Obstructing Governmental Operation	
22	D	Obstructing a Law Enforcement Officer	E
23		(9A.76.020)	
24	E	Resisting Arrest (9A.76.040)	E
25	B	Introducing Contraband 1 (9A.76.140)	C
26	C	Introducing Contraband 2 (9A.76.150)	D
27	E	Introducing Contraband 3 (9A.76.160)	E
28	B+	Intimidating a Public Servant	C+
29		(9A.76.180)	
30	B+	Intimidating a Witness (9A.72.110)	C+
31		Public Disturbance	
32	C+	Criminal Mischief with Weapon	D+
33		(9A.84.010(2)(b))	
34	D+	Criminal Mischief Without Weapon	E
35		(9A.84.010(2)(a))	
36	E	Failure to Disperse (9A.84.020)	E

1	E	Disorderly Conduct (9A.84.030)	E
2		Sex Crimes	
3	A	Rape 1 (9A.44.040)	B+
4	B++	Rape 2 (9A.44.050) committed at age 14	B+
5		or under	
6	A-	Rape 2 (9A.44.050) committed at age 15	B+
7		through age 17	
8	C+	Rape 3 (9A.44.060)	D+
9	B++	Rape of a Child 1 (9A.44.073)	B+
10		committed at age 14 or under	
11	A-	Rape of a Child 1 (9A.44.073)	B+
12		committed at age 15	
13	B+	Rape of a Child 2 (9A.44.076)	C+
14	B	Incest 1 (9A.64.020(1))	C
15	C	Incest 2 (9A.64.020(2))	D
16	D+	Indecent Exposure (Victim <14)	E
17		(9A.88.010)	
18	E	Indecent Exposure (Victim 14 or over)	E
19		(9A.88.010)	
20	B+	Promoting Prostitution 1 (9A.88.070)	C+
21	C+	Promoting Prostitution 2 (9A.88.080)	D+
22	E	O & A (Prostitution) (9A.88.030)	E
23	B+	Indecent Liberties (9A.44.100)	C+
24	B++	Child Molestation 1 (9A.44.083)	B+
25		committed at age 14 or under	
26	A-	Child Molestation 1 (9A.44.083)	B+
27		committed at age 15 through age 17	
28	B	Child Molestation 2 (9A.44.086)	C+
29	C	Failure to Register as a Sex Offender	D
30		(9A.44.132)	
31		Theft, Robbery, Extortion, and	
32		Forgery	
33	B	Theft 1 (9A.56.030)	C
34	C	Theft 2 (9A.56.040)	D
35	D	Theft 3 (9A.56.050)	E

1	B	Theft of Livestock 1 and 2 (9A.56.080	C
2		and 9A.56.083)	
3	C	Forgery (9A.60.020)	D
4	A	Robbery 1 (9A.56.200) committed at	B+
5		age 15 or under	
6	A++	Robbery 1 (9A.56.200) committed at	A
7		age 16 or 17	
8	B+	Robbery 2 (9A.56.210)	C+
9	B+	Extortion 1 (9A.56.120)	C+
10	C+	Extortion 2 (9A.56.130)	D+
11	C	Identity Theft 1 (9.35.020(2))	D
12	D	Identity Theft 2 (9.35.020(3))	E
13	D	Improperly Obtaining Financial	E
14		Information (9.35.010)	
15	B	Possession of a Stolen Vehicle	C
16		(9A.56.068)	
17	B	Possession of Stolen Property 1	C
18		(9A.56.150)	
19	C	Possession of Stolen Property 2	D
20		(9A.56.160)	
21	D	Possession of Stolen Property 3	E
22		(9A.56.170)	
23	B	Taking Motor Vehicle Without	C
24		Permission 1 (9A.56.070)	
25	C	Taking Motor Vehicle Without	D
26		Permission 2 (9A.56.075)	
27	B	Theft of a Motor Vehicle (9A.56.065)	C
28		Motor Vehicle Related Crimes	
29	E	Driving Without a License (46.20.005)	E
30	B+	Hit and Run - Death (46.52.020(4)(a))	C+
31	C	Hit and Run - Injury (46.52.020(4)(b))	D
32	D	Hit and Run-Attended (46.52.020(5))	E
33	E	Hit and Run-Unattended (46.52.010)	E
34	C	Vehicular Assault (46.61.522)	D
35	C	Attempting to Elude Pursuing Police	D
36		Vehicle (46.61.024)	
37	E	Reckless Driving (46.61.500)	E

1	D	Driving While Under the Influence	E
2		(46.61.502 and 46.61.504)	
3	B+	Felony Driving While Under the	B
4		Influence (46.61.502(6))	
5	B+	Felony Physical Control of a Vehicle	B
6		While Under the Influence (46.61.504(6))	
7		Other	
8	B	Animal Cruelty 1 (16.52.205)	C
9	B	Bomb Threat (9.61.160)	C
10	C	Escape 1 ¹ (9A.76.110)	C
11	C	Escape 2 ¹ (9A.76.120)	C
12	D	Escape 3 (9A.76.130)	E
13	E	Obscene, Harassing, Etc., Phone Calls	E
14		(9.61.230)	
15	A	Other Offense Equivalent to an Adult	B+
16		Class A Felony	
17	B	Other Offense Equivalent to an Adult	C
18		Class B Felony	
19	C	Other Offense Equivalent to an Adult	D
20		Class C Felony	
21	D	Other Offense Equivalent to an Adult	E
22		Gross Misdemeanor	
23	E	Other Offense Equivalent to an Adult	E
24		Misdemeanor	
25	V	Violation of Order of Restitution,	V
26		Community Supervision, or Confinement	
27		(13.40.200) ²	

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

30 1st escape or attempted escape during 12-month period - 28 days
31 confinement

32 2nd escape or attempted escape during 12-month period - 8 weeks
33 confinement

34 3rd and subsequent escape or attempted escape during 12-month
35 period - 12 weeks confinement

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

JUVENILE SENTENCING STANDARDS

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

OPTION A

JUVENILE OFFENDER SENTENCING GRID

STANDARD RANGE

	A++	129 to 260 weeks for all category A++ offenses				
	A+	180 weeks to age 21 for all category A+ offenses				
	A	103-129 weeks for all category A offenses				
	A-	30-40 weeks	52-65 weeks	80-100 weeks	103-129 weeks	103-129 weeks
	B++	15-36 weeks	52-65 weeks	80-100 weeks	103-129 weeks	103-129 weeks
CURRENT	B+	15-36 weeks	15-36 weeks	52-65 weeks	80-100 weeks	103-129 weeks
OFFENSE	B	LS	LS	15-36 weeks	15-36 weeks	52-65 weeks
CATEGORY	C+	LS	LS	LS	15-36 weeks	15-36 weeks
	C	LS	LS	LS	LS	15-36 weeks
	D+	LS	LS	LS	LS	LS
	D	LS	LS	LS	LS	LS
	E	LS	LS	LS	LS	LS
PRIOR		0	1	2	3	4 or more
ADJUDICATIONS						

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

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

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

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

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

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

9 **OR**

10 **OPTION B**

11 **SUSPENDED DISPOSITION ALTERNATIVE**

12 (1) If the offender is subject to a standard range disposition
13 involving confinement by the department, the court may impose the
14 standard range and suspend the disposition on condition that the
15 offender comply with one or more local sanctions and any educational
16 or treatment requirement. The treatment programs provided to the
17 offender must be either research-based best practice programs as
18 identified by the Washington state institute for public policy or the
19 joint legislative audit and review committee, or for chemical
20 dependency treatment programs or services, they must be evidence-
21 based or research-based best practice programs. For the purposes of
22 this subsection:

23 (a) "Evidence-based" means a program or practice that has had
24 multiple site random controlled trials across heterogeneous
25 populations demonstrating that the program or practice is effective
26 for the population; and

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

30 (2) If the offender fails to comply with the suspended
31 disposition, the court may impose sanctions pursuant to RCW 13.40.200
32 or may revoke the suspended disposition and order the disposition's
33 execution.

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

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

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

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

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

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

9 (iv) Violation of the uniform controlled substances act (RCW
10 69.50.401(2) (a) and (b)), when the offense includes infliction of
11 bodily harm upon another or when during the commission or immediate
12 withdrawal from the offense the respondent was armed with a deadly
13 weapon;

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

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

18 (e) Has a prior option B disposition.

19 **OR**

20 **OPTION C**

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

22 If the juvenile offender is subject to a standard range
23 disposition of local sanctions or 15 to 36 weeks of confinement and
24 has not committed a B++ or B+ offense, the court may impose a
25 disposition under RCW 13.40.160(4) and 13.40.165.

26 **OR**

27 **OPTION D**

28 **MANIFEST INJUSTICE**

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

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

34 (1) The provisions of this chapter relating to nursery dealer
35 licensing do not apply to: (a) Persons making casual or isolated
36 sales that do not exceed one hundred dollars annually; (b) any garden
37 club, conservation district, or charitable nonprofit association

1 conducting not more than three sales per year for not more than four
2 consecutive days each of horticultural plants which are grown by or
3 donated to its members; (c) educational organizations associated with
4 private or public secondary schools; and (d) the production of
5 (~~marijuana~~) cannabis and persons who are licensed as (~~marijuana~~)
6 cannabis producers under RCW 69.50.325 with respect to the operations
7 under such license. For the purposes of this subsection, the terms
8 (~~"marijuana" and "marijuana"~~) "cannabis" and "cannabis producer"
9 have the same meanings as provided in RCW 69.50.101. However, such a
10 club, conservation district, association, or organization must apply
11 to the director for a permit to conduct such sales.

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

14 **Sec. 11.** RCW 15.13.270 and 2014 c 140 s 32 are each amended to
15 read as follows:

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

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

33 **Sec. 12.** RCW 15.17.020 and 2016 c 229 s 2 are each amended to
34 read as follows:

35 For the purpose of this chapter:

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

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

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

9 (4) "Compliance agreement" means an agreement entered into
10 between the department and a shipper or packer, that authorizes the
11 shipper or packer to issue certificates of compliance for fruits and
12 vegetables.

13 (5) "Container" means any container or subcontainer used to
14 prepackage any fruits or vegetables. This does not include a
15 container used by a retailer to package fruits or vegetables sold
16 from a bulk display to a consumer.

17 (6) "Deceptive arrangement or display" means any bulk lot or
18 load, arrangement, or display of fruits or vegetables which has in
19 the exposed surface, fruits or vegetables which are so superior in
20 quality, size, condition, or any other respect to those which are
21 concealed, or the unexposed portion, as to materially misrepresent
22 any part of the bulk lot or load, arrangement, or display.

23 (7) "Deceptive pack" means the pack of any container which has in
24 the outer layer or any exposed surface fruits or vegetables which are
25 in quality, size, condition, or any other respect so superior to
26 those in the interior of the container in the unexposed portion as to
27 materially misrepresent the contents. Such pack is deceptive when the
28 outer or exposed surface is composed of fruits or vegetables whose
29 size is not an accurate representation of the variation of the size
30 of the fruits or vegetables in the entire container, even though the
31 fruits or vegetables in the container are virtually uniform in size
32 or comply with the specific standards adopted under this chapter.

33 (8) "Department" means the department of agriculture of the state
34 of Washington.

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

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

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

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

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

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

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

18 (16) "Plant pests" means, but is not limited to, any living stage
19 of any insects, mites, nematodes, slugs, snails, protozoa, or other
20 invertebrate animals, bacteria, fungi, viruses, or any organisms
21 similar to or allied with any of the foregoing, or any infectious
22 substance, which can directly or indirectly injure or cause disease
23 or damage in any plant or parts thereof, or any processed,
24 manufactured, or other products of plants.

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

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

29 **Sec. 13.** RCW 15.49.061 and 2014 c 140 s 34 are each amended to
30 read as follows:

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

34 (2) The provisions of RCW 15.49.011 through 15.49.051 do not
35 apply:

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

37 (b) To seed in storage by, or being transported or consigned
38 to(~~(+)~~), a conditioning establishment for conditioning if the
39 invoice or labeling accompanying the shipment of such seed bears the

1 statement "seeds for conditioning" and if any labeling or other
2 representation that may be made with respect to the unconditioned
3 seed is subject to this chapter;

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

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

9 (3) No person may be subject to the penalties of this chapter for
10 having sold or offered for sale seeds subject to this chapter that
11 were incorrectly labeled or represented as to kind, species, variety,
12 or type, which seeds cannot be identified by examination thereof,
13 unless he or she has failed to obtain an invoice, genuine grower's
14 declaration, or other labeling information and to take such other
15 precautions as may be reasonable to ensure the identity to be that
16 stated. A genuine grower's declaration of variety shall affirm that
17 the grower holds records of proof concerning parent seed, such as
18 invoice and labels.

19 **Sec. 14.** RCW 15.125.010 and 2017 c 317 s 18 are each amended to
20 read as follows:

21 The definitions in this section apply throughout this chapter
22 unless the context clearly requires otherwise.

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

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

27 (3) (~~("Marijuana")~~) "Cannabis" has the meaning provided in RCW
28 69.50.101.

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

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

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

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

37 (8) "Person" means any natural person, firm, partnership,
38 association, private or public corporation, governmental entity, or
39 other business entity.

1 **Sec. 15.** RCW 15.125.020 and 2017 c 317 s 19 are each amended to
2 read as follows:

3 (1) The department may adopt rules establishing:

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

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

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

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

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

17 **Sec. 16.** RCW 15.125.030 and 2017 c 317 s 20 are each amended to
18 read as follows:

19 (1) No (~~marijuana or marijuana~~) cannabis or cannabis product
20 may be labeled, sold, or represented as produced or processed under
21 the standards established under this chapter unless produced or
22 processed by a person certified by the department under the program
23 established under this chapter.

24 (2) No person may represent, sell, or offer for sale any
25 (~~marijuana or marijuana~~) cannabis or cannabis products as produced
26 or processed under standards adopted under this chapter if the person
27 knows, or has reason to know, that the (~~marijuana or marijuana~~)
28 cannabis or cannabis product has not been produced or processed in
29 conformance with the standards established under this chapter.

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

33 **Sec. 17.** RCW 15.125.040 and 2017 c 317 s 21 are each amended to
34 read as follows:

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

37 (2) The department may deny, suspend, or revoke a certification
38 provided for in this chapter if the department determines that an

1 applicant or certified person has violated this chapter or rules
2 adopted under it.

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

6 (a) The state's estimated costs of investigating and taking
7 appropriate administrative and enforcement actions for the violation;
8 and

9 (b) One thousand dollars.

10 (4) The board may take enforcement actions against a
11 ((marijuana)) cannabis producer, ((marijuana)) cannabis processor, or
12 ((marijuana)) cannabis retailer license issued by the board,
13 including suspension or revocation of the license, when a licensee
14 continues to violate this chapter after revocation of its
15 certification or, if uncertified, receiving written notice from the
16 department of certification requirements.

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

19 **Sec. 18.** RCW 15.125.050 and 2017 c 317 s 22 are each amended to
20 read as follows:

21 Information about ((marijuana)) cannabis producers, ((marijuana))
22 cannabis processors, and ((marijuana)) cannabis retailers otherwise
23 exempt from public inspection and copying under chapter 42.56 RCW is
24 also exempt from public inspection and copying if submitted to or
25 used by the department.

26 **Sec. 19.** RCW 15.140.020 and 2021 c 104 s 2 are each amended to
27 read as follows:

28 The definitions in this section apply throughout this chapter
29 unless the context clearly requires otherwise.

30 (1) "Agriculture improvement act of 2018" means sections 7605,
31 10113, 10114, and 12619 of the agriculture improvement act of 2018,
32 P.L. 115-334.

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

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

35 ((+3)) (4) "Cultivar" means a variation of the plant *Cannabis*
36 *sativa* L. that has been developed through cultivation by selective
37 breeding.

1 ((4)) (5) "Department" means the Washington state department of
2 agriculture.

3 ((5)) (6) "Food" has the same meaning as defined in RCW
4 69.07.010.

5 ((6)) (7) "Hemp" means the plant *Cannabis sativa L.* and any
6 part of that plant, including the seeds thereof and all derivatives,
7 extracts, cannabinoids, isomers, acids, salts, and salts of isomers,
8 whether growing or not, with a delta-9 tetrahydrocannabinol
9 concentration of not more than 0.3 percent on a dry weight basis.

10 ((7)) (8) "Hemp processor" means a person who takes possession
11 of raw hemp material with the intent to modify, package, or sell a
12 transitional or finished hemp product.

13 ((8)) (9)(a) "Industrial hemp" means all parts and varieties of
14 the genera *Cannabis*, cultivated or possessed by a grower, whether
15 growing or not, that contain a tetrahydrocannabinol concentration of
16 0.3 percent or less by dry weight that was grown under the industrial
17 hemp research program as it existed on December 31, 2019.

18 (b) "Industrial hemp" does not include plants of the genera
19 *Cannabis* that meet the definition of (~~"marijuana" as defined in RCW~~
20 ~~69.50.101~~) "cannabis".

21 ((9)) (10) "Postharvest test" means a test of delta-9
22 tetrahydrocannabinol concentration levels of hemp after being
23 harvested based on:

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

25 (b) Other approved testing methods.

26 ((10)) (11) "Process" means the processing, compounding, or
27 conversion of hemp into hemp commodities or products.

28 ((11)) (12) "Produce" or "production" means the planting,
29 cultivation, growing, or harvesting of hemp including hemp seed.

30 **Sec. 20.** RCW 15.140.100 and 2019 c 158 s 10 are each amended to
31 read as follows:

32 (1) There is no distance requirement, limitation, or buffer zone
33 between any licensed hemp producer or hemp processing facility
34 licensed or authorized under this chapter and any (~~marijuana~~)
35 cannabis producer or (~~marijuana~~) cannabis processor licensed under
36 chapter 69.50 RCW. No rule may establish such a distance requirement,
37 limitation, or buffer zone without the evaluation of sufficient data
38 showing impacts to either crop as a result of cross-pollination.

1 (2) Notwithstanding subsection (1) of this section, in an effort
2 to prevent cross-pollination between hemp plants produced under this
3 chapter and ~~((marijuana))~~ cannabis plants produced under chapter
4 69.50 RCW, the department, in consultation with the liquor and
5 cannabis board, must review the state's policy regarding cross-
6 pollination and pollen capture to ensure an appropriate policy is in
7 place, and must modify policies or establish new policies as
8 appropriate. Under any such policy, when a documented conflict
9 involving cross-pollination exists between two farms or production
10 facilities growing or producing hemp or ~~((marijuana))~~ cannabis, the
11 farm or production facility operating first in time shall have the
12 right to continue operating and the farm or production facility
13 operating second in time must cease growing or producing hemp or
14 ~~((marijuana))~~ cannabis, as applicable.

15 **Sec. 21.** RCW 15.140.120 and 2021 c 104 s 4 are each amended to
16 read as follows:

17 Beginning on April 26, 2019:

18 (1) (a) No law or rule related to certified or interstate hemp
19 seeds applies to or may be enforced against a person with a license
20 to produce or process hemp issued under this chapter; and

21 ~~((+2))~~ (b) No department or other state agency rule may
22 establish or enforce a buffer zone or distance requirement between a
23 person with a license or authorization to produce or process hemp
24 under this chapter and a person with a license to produce or process
25 ~~((marijuana))~~ cannabis issued under chapter 69.50 RCW. The department
26 may not adopt rules without the evaluation of sufficient data showing
27 impacts to either crop as a result of cross-pollination.

28 ~~((+3))~~ (2) Notwithstanding the rule-making provisions of RCW
29 15.140.030(2), if a ~~((marijuana))~~ cannabis producer or ~~((marijuana))~~
30 cannabis processor licensed by the liquor and cannabis board under
31 chapter 69.50 RCW is engaged in producing or processing hemp at the
32 same location for which they are licensed to produce or process
33 ~~((marijuana))~~ cannabis, the liquor and cannabis board may test
34 samples represented as hemp that are obtained from a location
35 licensed for ~~((marijuana))~~ cannabis production or ~~((marijuana))~~
36 cannabis processing for the sole purpose of validating THC content of
37 products represented as hemp. Any product with a delta-9
38 tetrahydrocannabinol concentration exceeding 0.3 percent on a dry

1 weight basis is considered (~~marijuana~~) cannabis and is subject to
2 the provisions of chapter 69.50 RCW.

3 **Sec. 22.** 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. 23.** 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. 24.** 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. 25.** 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. 26.** 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. 27.** 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. 28.** RCW 42.56.270 and 2021 c 308 s 4 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);

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; and

11 (iii) Financial or proprietary information collected from any
12 person and provided to the department of commerce pursuant to RCW
13 43.31.625 (3) (b) and (4);

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

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

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

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

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

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

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

1 (17) (a) Farm plans developed by conservation districts, unless
2 permission to release the farm plan is granted by the landowner or
3 operator who requested the plan, or the farm plan is used for the
4 application or issuance of a permit;

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

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

14 (19) Information gathered under chapter 19.85 RCW or RCW
15 34.05.328 that can be identified to a particular business;

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

24 (21) Market share data submitted by a manufacturer under RCW
25 70A.500.190(4);

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

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

38 (24) Financial institution and retirement account information,
39 and building security plan information, supplied to the liquor and
40 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and

1 69.50.345, when filed by or on behalf of a licensee or prospective
2 licensee for the purpose of obtaining, maintaining, or renewing a
3 license to produce, process, transport, or sell ((~~marijuana~~))
4 cannabis as allowed under chapter 69.50 RCW;

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

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

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

31 (28) Trade secrets, technology, proprietary information, and
32 financial considerations contained in any agreements or contracts,
33 entered into by a licensed ((~~marijuana~~)) cannabis business under RCW
34 69.50.395, which may be submitted to or obtained by the state liquor
35 and cannabis board;

36 (29) Financial, commercial, operations, and technical and
37 research information and data submitted to or obtained by the Andy
38 Hill cancer research endowment program in applications for, or
39 delivery of, grants under chapter 43.348 RCW, to the extent that such

1 information, if revealed, would reasonably be expected to result in
2 private loss to providers of this information;

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

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

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

14 **Sec. 29.** RCW 42.56.620 and 2015 2nd sp.s. c 4 s 1504 are each
15 amended to read as follows:

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

20 **Sec. 30.** RCW 42.56.625 and 2015 c 70 s 22 are each amended to
21 read as follows:

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

26 **Sec. 31.** RCW 42.56.630 and 2015 2nd sp.s. c 4 s 1002 are each
27 amended to read as follows:

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

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

1 (a) "Cooperative" means a cooperative established under RCW
2 69.51A.250 to produce and process (~~marijuana~~) cannabis only for the
3 medical use of members of the cooperative.

4 (b) "Recognition card" has the same meaning as provided in RCW
5 69.51A.010.

6 **Sec. 32.** RCW 43.05.160 and 2019 c 394 s 2 are each amended to
7 read as follows:

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

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

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

19 (c) The date by which the board requires compliance to be
20 achieved;

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

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

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

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

32 **Sec. 33.** RCW 43.06.490 and 2015 c 207 s 2 are each amended to
33 read as follows:

34 (1) The governor may enter into agreements with federally
35 recognized Indian tribes concerning (~~marijuana. —Marijuana~~)
36 cannabis. Cannabis agreements may address any (~~marijuana-related~~)
37 cannabis-related issue that involves both state and tribal interests
38 or otherwise has an impact on tribal-state relations. Such agreements

1 may include, but are not limited to, the following provisions and
2 subject matter:

3 (a) Criminal and civil law enforcement;

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

8 (c) Medical and pharmaceutical research involving ((~~marijuana~~))
9 cannabis;

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

11 (e) Any tribal immunities or preemption of state law regarding
12 the production, processing, or marketing of ((~~marijuana~~)) cannabis;
13 and

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

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

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

39 (3) Any ((~~marijuana~~)) cannabis agreement relating to the
40 production, processing, and sale of ((~~marijuana~~)) cannabis in Indian

1 country, whether for recreational or medical purposes, must address
2 the following issues:

3 (a) Preservation of public health and safety;

4 (b) Ensuring the security of production, processing, retail, and
5 research facilities; and

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

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

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

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

15 (b) "Indian tribe" or "tribe" means a federally recognized Indian
16 tribe located within the geographical boundaries of the state of
17 Washington.

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

22 **Sec. 34.** RCW 43.06.520 and 2020 c 132 s 1 are each amended to
23 read as follows:

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

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

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

1 (4) In addition, it is the legislature's intent that these
2 compacts will have no impact on the taxation of any transaction that
3 is the subject of other compacts, contracts, or agreements authorized
4 elsewhere in this chapter.

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

7 **Sec. 35.** RCW 43.21A.735 and 2019 c 277 s 3 are each amended to
8 read as follows:

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

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

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

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

19 (B) Nongovernmental cannabis industry scientists.

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

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

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

26 (ii) Establish two work groups:

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

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

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

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

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

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

1 (6) The cannabis science task force must submit a report to the
2 relevant committees of the legislature by July 1, 2020, that includes
3 the findings and recommendations for laboratory quality standards for
4 pesticides in plants for (~~marijuana~~) cannabis product testing
5 laboratories. The report must include, but is not limited to,
6 recommendations relating to the following:

7 (a) Appropriate approved testing methods;

8 (b) Method validation protocols;

9 (c) Method performance criteria;

10 (d) Sampling and homogenization protocols;

11 (e) Proficiency testing; and

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

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

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

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

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

28 (9) The task force must hold its first meeting by September 1,
29 2019.

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

31 **Sec. 36.** RCW 43.330.540 and 2021 c 169 s 1 are each amended to
32 read as follows:

33 (1) The cannabis social equity technical assistance grant program
34 is established and is to be administered by the department.

35 (2)(a) The cannabis social equity technical assistance grant
36 program must award grants to:

37 (i) Cannabis license applicants who are social equity applicants
38 submitting social equity plans under RCW 69.50.335; and

1 (ii) Cannabis licensees holding a license issued after June 30,
2 2020, and before July 25, 2021, who meet the social equity applicant
3 criteria under RCW 69.50.335.

4 (b) Grant recipients under this subsection (2) must demonstrate
5 completion of their project within 12 months of receiving a grant,
6 unless a grant recipient requests, and the department approves,
7 additional time to complete the project.

8 (3) The department must award grants primarily based on the
9 strength of the social equity plans submitted by cannabis license
10 applicants and cannabis licensees holding a license issued after June
11 30, 2020, and before July 25, 2021, but may also consider additional
12 criteria if deemed necessary or appropriate by the department.
13 Technical assistance activities eligible for funding include, but are
14 not limited to:

15 (a) Assistance navigating the cannabis licensure process;

16 (b) Cannabis-business specific education and business plan
17 development;

18 (c) Regulatory compliance training;

19 (d) Financial management training and assistance in seeking
20 financing;

21 (e) Strengthening a social equity plan; and

22 (f) Connecting social equity applicants with established industry
23 members and tribal cannabis enterprises and programs for mentoring
24 and other forms of support.

25 (4) The department may contract to establish a roster of mentors
26 who are available to support and advise social equity applicants and
27 current licensees who meet the social equity applicant criteria under
28 RCW 69.50.335. Contractors under this section must:

29 (a) Have knowledge and experience demonstrating their ability to
30 effectively advise eligible applicants and licensees in navigating
31 the state's licensing and regulatory framework or on producing and
32 processing cannabis;

33 (b) Be a business that is at least 51(~~(% [percent])~~) percent
34 minority or woman-owned; and

35 (c) Meet department reporting and invoicing requirements.

36 (5) Funding for the cannabis social equity technical assistance
37 grant program must be provided through the dedicated (~~(marijuana)~~)
38 cannabis account under RCW 69.50.540. Additionally, the department
39 may solicit, receive, and expend private contributions to support the
40 grant program.

1 (6) The department may adopt rules to implement this section.

2 (7) For the purposes of this section, "cannabis" has the meaning
3 provided ((for ~~"marijuana"~~)) under RCW 69.50.101.

4 NEW SECTION. **Sec. 37.** A new section is added to chapter 46.04
5 RCW to read as follows:

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

8 **Sec. 38.** RCW 46.20.308 and 2019 c 232 s 21 are each amended to
9 read as follows:

10 (1) Any person who operates a motor vehicle within this state is
11 deemed to have given consent, subject to the provisions of RCW
12 46.61.506, to a test or tests of his or her breath for the purpose of
13 determining the alcohol concentration in his or her breath if
14 arrested for any offense where, at the time of the arrest, the
15 arresting officer has reasonable grounds to believe the person had
16 been driving or was in actual physical control of a motor vehicle
17 while under the influence of intoxicating liquor or any drug or was
18 in violation of RCW 46.61.503.

19 (2) The test or tests of breath shall be administered at the
20 direction of a law enforcement officer having reasonable grounds to
21 believe the person to have been driving or in actual physical control
22 of a motor vehicle within this state while under the influence of
23 intoxicating liquor or any drug or the person to have been driving or
24 in actual physical control of a motor vehicle while having alcohol in
25 a concentration in violation of RCW 46.61.503 in his or her system
26 and being under the age of twenty-one. Prior to administering a
27 breath test pursuant to this section, the officer shall inform the
28 person of his or her right under this section to refuse the breath
29 test, and of his or her right to have additional tests administered
30 by any qualified person of his or her choosing as provided in RCW
31 46.61.506. The officer shall warn the driver, in substantially the
32 following language, that:

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

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

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

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

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

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

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

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

20 (4) Nothing in subsection (1), (2), or (3) of this section
21 precludes a law enforcement officer from obtaining a person's blood
22 to test for alcohol, (~~marijuana~~) cannabis, or any drug, pursuant to
23 a search warrant, a valid waiver of the warrant requirement, when
24 exigent circumstances exist, or under any other authority of law. Any
25 blood drawn for the purpose of determining the person's alcohol,
26 (~~marijuana~~) cannabis levels, or any drug, is drawn pursuant to this
27 section when the officer has reasonable grounds to believe that the
28 person is in physical control or driving a vehicle under the
29 influence or in violation of RCW 46.61.503.

30 (5) If, after arrest and after any other applicable conditions
31 and requirements of this section have been satisfied, a test or tests
32 of the person's blood or breath is administered and the test results
33 indicate that the alcohol concentration of the person's breath or
34 blood is 0.08 or more, or the THC concentration of the person's blood
35 is 5.00 or more, if the person is age twenty-one or over, or that the
36 alcohol concentration of the person's breath or blood is 0.02 or
37 more, or the THC concentration of the person's blood is above 0.00,
38 if the person is under the age of twenty-one, or the person refuses
39 to submit to a test, the arresting officer or other law enforcement
40 officer at whose direction any test has been given, or the

1 department, where applicable, if the arrest results in a test of the
2 person's blood, shall:

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

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

11 (c) Serve notice in writing that the license or permit, if any,
12 is a temporary license that is valid for thirty days from the date of
13 arrest or from the date notice has been given in the event notice is
14 given by the department following a blood test, or until the
15 suspension, revocation, or denial of the person's license, permit, or
16 privilege to drive is sustained at a hearing pursuant to subsection
17 (7) of this section, whichever occurs first. No temporary license is
18 valid to any greater degree than the license or permit that it
19 replaces; and

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

24 (i) That the officer had reasonable grounds to believe the
25 arrested person had been driving or was in actual physical control of
26 a motor vehicle within this state while under the influence of
27 intoxicating liquor or drugs, or both, or was under the age of
28 twenty-one years and had been driving or was in actual physical
29 control of a motor vehicle while having an alcohol or THC
30 concentration in violation of RCW 46.61.503;

31 (ii) That after receipt of any applicable warnings required by
32 subsection (2) of this section the person refused to submit to a test
33 of his or her breath, or a test was administered and the results
34 indicated that the alcohol concentration of the person's breath or
35 blood was 0.08 or more, or the THC concentration of the person's
36 blood was 5.00 or more, if the person is age twenty-one or over, or
37 that the alcohol concentration of the person's breath or blood was
38 0.02 or more, or the THC concentration of the person's blood was
39 above 0.00, if the person is under the age of twenty-one; and

1 (iii) Any other information that the director may require by
2 rule.

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

13 (7) A person receiving notification under subsection (5)(b) of
14 this section may, within seven days after the notice has been given,
15 request in writing a formal hearing before the department. The person
16 shall pay a fee of three hundred seventy-five dollars as part of the
17 request. If the request is mailed, it must be postmarked within seven
18 days after receipt of the notification. Upon timely receipt of such a
19 request for a formal hearing, including receipt of the required three
20 hundred seventy-five dollar fee, the department shall afford the
21 person an opportunity for a hearing. The department may waive the
22 required three hundred seventy-five dollar fee if the person is an
23 indigent as defined in RCW 10.101.010. Except as otherwise provided
24 in this section, the hearing is subject to and shall be scheduled and
25 conducted in accordance with RCW 46.20.329 and 46.20.332. The hearing
26 shall be conducted in the county of the arrest, except that all or
27 part of the hearing may, at the discretion of the department, be
28 conducted by telephone or other electronic means. The hearing shall
29 be held within thirty days, excluding Saturdays, Sundays, and legal
30 holidays, following the date of timely receipt of such request for a
31 formal hearing before the department or thirty days, excluding
32 Saturdays, Sundays, and legal holidays following the date notice has
33 been given in the event notice is given by the department following a
34 blood test, unless otherwise agreed to by the department and the
35 person, in which case the action by the department shall be stayed,
36 and any valid temporary license under subsection (5) of this section
37 extended, if the person is otherwise eligible for licensing. Unless
38 otherwise agreed to by the department and the person, the department
39 must give five days notice of the hearing to the person. For the
40 purposes of this section, the scope of the hearing shall cover the

1 issues of whether a law enforcement officer had reasonable grounds to
2 believe the person had been driving or was in actual physical control
3 of a motor vehicle within this state while under the influence of
4 intoxicating liquor or any drug or had been driving or was in actual
5 physical control of a motor vehicle within this state while having
6 alcohol in his or her system in a concentration of 0.02 or more, or
7 THC in his or her system in a concentration above 0.00, if the person
8 was under the age of twenty-one, whether the person was placed under
9 arrest, and (a) whether the person refused to submit to the test or
10 tests upon request of the officer after having been informed that
11 such refusal would result in the revocation of the person's license,
12 permit, or privilege to drive, or (b) if a test or tests were
13 administered, whether the applicable requirements of this section
14 were satisfied before the administration of the test or tests,
15 whether the person submitted to the test or tests, or whether a test
16 was administered pursuant to a search warrant, a valid waiver of the
17 warrant requirement, when exigent circumstances exist, or under any
18 other authority of law as permitted under this section, and whether
19 the test or tests indicated that the alcohol concentration of the
20 person's breath or blood was 0.08 or more, or the THC concentration
21 of the person's blood was 5.00 or more, if the person was age twenty-
22 one or over at the time of the arrest, or that the alcohol
23 concentration of the person's breath or blood was 0.02 or more, or
24 the THC concentration of the person's blood was above 0.00, if the
25 person was under the age of twenty-one at the time of the arrest.
26 Where a person is found to be in actual physical control of a motor
27 vehicle while under the influence of intoxicating liquor or any drug
28 or was under the age of twenty-one at the time of the arrest and was
29 in physical control of a motor vehicle while having alcohol in his or
30 her system in a concentration of 0.02 or THC concentration above
31 0.00, the person may petition the hearing officer to apply the
32 affirmative defense found in RCW 46.61.504(3) and 46.61.503(2). The
33 driver has the burden to prove the affirmative defense by a
34 preponderance of the evidence. The sworn report or report under a
35 declaration authorized by chapter 5.50 RCW submitted by a law
36 enforcement officer is prima facie evidence that the officer had
37 reasonable grounds to believe the person had been driving or was in
38 actual physical control of a motor vehicle within this state while
39 under the influence of intoxicating liquor or drugs, or both, or the
40 person had been driving or was in actual physical control of a motor

1 vehicle within this state while having alcohol in his or her system
2 in a concentration of 0.02 or more, or THC in his or her system in a
3 concentration above 0.00, and was under the age of twenty-one and
4 that the officer complied with the requirements of this section.

5 A hearing officer shall conduct the hearing, may issue subpoenas
6 for the attendance of witnesses and the production of documents, and
7 shall administer oaths to witnesses. The hearing officer shall not
8 issue a subpoena for the attendance of a witness at the request of
9 the person unless the request is accompanied by the fee required by
10 RCW 5.56.010 for a witness in district court. The sworn report or
11 report under a declaration authorized by chapter 5.50 RCW of the law
12 enforcement officer and any other evidence accompanying the report
13 shall be admissible without further evidentiary foundation and the
14 certifications authorized by the criminal rules for courts of limited
15 jurisdiction shall be admissible without further evidentiary
16 foundation. The person may be represented by counsel, may question
17 witnesses, may present evidence, and may testify. The department
18 shall order that the suspension, revocation, or denial either be
19 rescinded or sustained.

20 (8) If the suspension, revocation, or denial is sustained after
21 such a hearing, the person whose license, privilege, or permit is
22 suspended, revoked, or denied has the right to file a petition in the
23 superior court of the county of arrest to review the final order of
24 revocation by the department in the same manner as an appeal from a
25 decision of a court of limited jurisdiction. Notice of appeal must be
26 filed within thirty days after the date the final order is served or
27 the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ
28 1.1, or other statutes or rules referencing de novo review, the
29 appeal shall be limited to a review of the record of the
30 administrative hearing. The appellant must pay the costs associated
31 with obtaining the record of the hearing before the hearing officer.
32 The filing of the appeal does not stay the effective date of the
33 suspension, revocation, or denial. A petition filed under this
34 subsection must include the petitioner's grounds for requesting
35 review. Upon granting petitioner's request for review, the court
36 shall review the department's final order of suspension, revocation,
37 or denial as expeditiously as possible. The review must be limited to
38 a determination of whether the department has committed any errors of
39 law. The superior court shall accept those factual determinations
40 supported by substantial evidence in the record: (a) That were

1 expressly made by the department; or (b) that may reasonably be
2 inferred from the final order of the department. The superior court
3 may reverse, affirm, or modify the decision of the department or
4 remand the case back to the department for further proceedings. The
5 decision of the superior court must be in writing and filed in the
6 clerk's office with the other papers in the case. The court shall
7 state the reasons for the decision. If judicial relief is sought for
8 a stay or other temporary remedy from the department's action, the
9 court shall not grant such relief unless the court finds that the
10 appellant is likely to prevail in the appeal and that without a stay
11 the appellant will suffer irreparable injury. If the court stays the
12 suspension, revocation, or denial it may impose conditions on such
13 stay.

14 (9) (a) If a person whose driver's license, permit, or privilege
15 to drive has been or will be suspended, revoked, or denied under
16 subsection (6) of this section, other than as a result of a breath
17 test refusal, and who has not committed an offense for which he or
18 she was granted a deferred prosecution under chapter 10.05 RCW,
19 petitions a court for a deferred prosecution on criminal charges
20 arising out of the arrest for which action has been or will be taken
21 under subsection (6) of this section, or notifies the department of
22 licensing of the intent to seek such a deferred prosecution, then the
23 license suspension or revocation shall be stayed pending entry of the
24 deferred prosecution. The stay shall not be longer than one hundred
25 fifty days after the date charges are filed, or two years after the
26 date of the arrest, whichever time period is shorter. If the court
27 stays the suspension, revocation, or denial, it may impose conditions
28 on such stay. If the person is otherwise eligible for licensing, the
29 department shall issue a temporary license, or extend any valid
30 temporary license under subsection (5) of this section, for the
31 period of the stay. If a deferred prosecution treatment plan is not
32 recommended in the report made under RCW 10.05.050, or if treatment
33 is rejected by the court, or if the person declines to accept an
34 offered treatment plan, or if the person violates any condition
35 imposed by the court, then the court shall immediately direct the
36 department to cancel the stay and any temporary license or extension
37 of a temporary license issued under this subsection.

38 (b) A suspension, revocation, or denial imposed under this
39 section, other than as a result of a breath test refusal, shall be
40 stayed if the person is accepted for deferred prosecution as provided

1 in chapter 10.05 RCW for the incident upon which the suspension,
2 revocation, or denial is based. If the deferred prosecution is
3 terminated, the stay shall be lifted and the suspension, revocation,
4 or denial reinstated. If the deferred prosecution is completed, the
5 stay shall be lifted and the suspension, revocation, or denial
6 canceled.

7 (c) The provisions of (b) of this subsection relating to a stay
8 of a suspension, revocation, or denial and the cancellation of any
9 suspension, revocation, or denial do not apply to the suspension,
10 revocation, denial, or disqualification of a person's commercial
11 driver's license or privilege to operate a commercial motor vehicle.

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

18 **Sec. 39.** RCW 46.25.120 and 2015 2nd sp.s. c 3 s 7 are each
19 amended to read as follows:

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

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

29 (3) The law enforcement officer requesting the test under
30 subsection (1) of this section shall warn the person requested to
31 submit to the test that a refusal to submit will result in that
32 person being disqualified from operating a commercial motor vehicle
33 under RCW 46.25.090.

34 (4) A law enforcement officer who at the time of stopping or
35 detaining a commercial motor vehicle driver has reasonable grounds to
36 believe that driver was driving a commercial motor vehicle while
37 having alcohol, (~~marijuana~~) cannabis, or any drug in his or her
38 system or while under the influence of alcohol, (~~marijuana~~)
39 cannabis, or any drug may obtain a blood test pursuant to a search

1 warrant, a valid waiver of the warrant requirement, when exigent
2 circumstances exist, or under any other authority of law.

3 (5) If the person refuses testing, or a test is administered that
4 discloses an alcohol concentration of 0.04 or more or any measurable
5 amount of THC concentration, the law enforcement officer shall submit
6 a sworn report to the department certifying that the test was
7 requested pursuant to subsection (1) of this section or a blood test
8 was administered pursuant to subsection (4) of this section and that
9 the person refused to submit to testing, or a test was administered
10 that disclosed an alcohol concentration of 0.04 or more or any
11 measurable amount of THC concentration.

12 (6) Upon receipt of the sworn report of a law enforcement officer
13 under subsection (5) of this section, the department shall disqualify
14 the driver from driving a commercial motor vehicle under RCW
15 46.25.090, subject to the hearing provisions of RCW 46.20.329 and
16 46.20.332. The hearing shall be conducted in the county of the
17 arrest. For the purposes of this section, the hearing shall cover the
18 issues of whether a law enforcement officer had reasonable grounds to
19 believe the person had been driving or was in actual physical control
20 of a commercial motor vehicle within this state while having alcohol
21 in the person's system or while under the influence of any drug,
22 whether the person refused to submit to the test or tests upon
23 request of the officer after having been informed that the refusal
24 would result in the disqualification of the person from driving a
25 commercial motor vehicle, if applicable, and, if the test was
26 administered, whether the results indicated an alcohol concentration
27 of 0.04 percent or more or any measurable amount of THC
28 concentration. The department shall order that the disqualification
29 of the person either be rescinded or sustained. Any decision by the
30 department disqualifying a person from driving a commercial motor
31 vehicle is stayed and does not take effect while a formal hearing is
32 pending under this section or during the pendency of a subsequent
33 appeal to superior court so long as there is no conviction for a
34 moving violation or no finding that the person has committed a
35 traffic infraction that is a moving violation during the pendency of
36 the hearing and appeal. If the disqualification of the person is
37 sustained after the hearing, the person who is disqualified may file
38 a petition in the superior court of the county of arrest to review
39 the final order of disqualification by the department in the manner
40 provided in RCW 46.20.334.

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

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

11 **Sec. 40.** RCW 46.61.502 and 2017 c 335 s 1 are each amended to
12 read as follows:

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

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

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

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

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

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

31 (3)(a) It is an affirmative defense to a violation of subsection
32 (1)(a) of this section, which the defendant must prove by a
33 preponderance of the evidence, that the defendant consumed a
34 sufficient quantity of alcohol after the time of driving and before
35 the administration of an analysis of the person's breath or blood to
36 cause the defendant's alcohol concentration to be 0.08 or more within
37 two hours after driving. The court shall not admit evidence of this
38 defense unless the defendant notifies the prosecution prior to the

1 omnibus or pretrial hearing in the case of the defendant's intent to
2 assert the affirmative defense.

3 (b) It is an affirmative defense to a violation of subsection
4 (1)(b) of this section, which the defendant must prove by a
5 preponderance of the evidence, that the defendant consumed a
6 sufficient quantity of (~~marijuana~~) cannabis after the time of
7 driving and before the administration of an analysis of the person's
8 blood to cause the defendant's THC concentration to be 5.00 or more
9 within two hours after driving. The court shall not admit evidence of
10 this defense unless the defendant notifies the prosecution prior to
11 the omnibus or pretrial hearing in the case of the defendant's intent
12 to assert the affirmative defense.

13 (4)(a) Analyses of blood or breath samples obtained more than two
14 hours after the alleged driving may be used as evidence that within
15 two hours of the alleged driving, a person had an alcohol
16 concentration of 0.08 or more in violation of subsection (1)(a) of
17 this section, and in any case in which the analysis shows an alcohol
18 concentration above 0.00 may be used as evidence that a person was
19 under the influence of or affected by intoxicating liquor or any drug
20 in violation of subsection (1)(c) or (d) of this section.

21 (b) Analyses of blood samples obtained more than two hours after
22 the alleged driving may be used as evidence that within two hours of
23 the alleged driving, a person had a THC concentration of 5.00 or more
24 in violation of subsection (1)(b) of this section, and in any case in
25 which the analysis shows a THC concentration above 0.00 may be used
26 as evidence that a person was under the influence of or affected by
27 (~~marijuana~~) cannabis in violation of subsection (1)(c) or (d) of
28 this section.

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

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

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

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

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

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

- 1 (iii) An out-of-state offense comparable to the offense specified
2 in (b) (i) or (ii) of this subsection; or
3 (iv) A violation of this subsection (6) or RCW 46.61.504(6).

4 **Sec. 41.** RCW 46.61.503 and 2015 2nd sp.s. c 3 s 14 are each
5 amended to read as follows:

6 (1) Notwithstanding any other provision of this title, a person
7 is guilty of driving or being in physical control of a motor vehicle
8 after consuming alcohol or (~~marijuana~~) cannabis if the person
9 operates or is in physical control of a motor vehicle within this
10 state and the person:

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

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

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

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

20 (2) It is an affirmative defense to a violation of subsection (1)
21 of this section, which the defendant must prove by a preponderance of
22 the evidence, that the defendant consumed a sufficient quantity of
23 alcohol or (~~marijuana~~) cannabis after the time of driving or being
24 in physical control and before the administration of an analysis of
25 the person's breath or blood to cause the defendant's alcohol or THC
26 concentration to be in violation of subsection (1) of this section
27 within two hours after driving or being in physical control. The
28 court shall not admit evidence of this defense unless the defendant
29 notifies the prosecution prior to the earlier of: (a) Seven days
30 prior to trial; or (b) the omnibus or pretrial hearing in the case of
31 the defendant's intent to assert the affirmative defense.

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

38 (4) Analyses of blood or breath samples obtained more than two
39 hours after the alleged driving or being in physical control may be

1 used as evidence that within two hours of the alleged driving or
2 being in physical control, a person had an alcohol or THC
3 concentration in violation of subsection (1) of this section.

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

5 **Sec. 42.** RCW 46.61.504 and 2017 c 335 s 2 are each amended to
6 read as follows:

7 (1) A person is guilty of being in actual physical control of a
8 motor vehicle while under the influence of intoxicating liquor or any
9 drug if the person has actual physical control of a vehicle within
10 this state:

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

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

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

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

23 (2) The fact that a person charged with a violation of this
24 section is or has been entitled to use a drug under the laws of this
25 state does not constitute a defense against any charge of violating
26 this section. No person may be convicted under this section and it is
27 an affirmative defense to any action pursuant to RCW 46.20.308 to
28 suspend, revoke, or deny the privilege to drive if, prior to being
29 pursued by a law enforcement officer, the person has moved the
30 vehicle safely off the roadway.

31 (3) (a) It is an affirmative defense to a violation of subsection
32 (1)(a) of this section which the defendant must prove by a
33 preponderance of the evidence that the defendant consumed a
34 sufficient quantity of alcohol after the time of being in actual
35 physical control of the vehicle and before the administration of an
36 analysis of the person's breath or blood to cause the defendant's
37 alcohol concentration to be 0.08 or more within two hours after being
38 in such control. The court shall not admit evidence of this defense
39 unless the defendant notifies the prosecution prior to the omnibus or

1 pretrial hearing in the case of the defendant's intent to assert the
2 affirmative defense.

3 (b) It is an affirmative defense to a violation of subsection
4 (1)(b) of this section, which the defendant must prove by a
5 preponderance of the evidence, that the defendant consumed a
6 sufficient quantity of (~~marijuana~~) cannabis after the time of being
7 in actual physical control of the vehicle and before the
8 administration of an analysis of the person's blood to cause the
9 defendant's THC concentration to be 5.00 or more within two hours
10 after being in control of the vehicle. The court shall not admit
11 evidence of this defense unless the defendant notifies the
12 prosecution prior to the omnibus or pretrial hearing in the case of
13 the defendant's intent to assert the affirmative defense.

14 (4) (a) Analyses of blood or breath samples obtained more than two
15 hours after the alleged being in actual physical control of a vehicle
16 may be used as evidence that within two hours of the alleged being in
17 such control, a person had an alcohol concentration of 0.08 or more
18 in violation of subsection (1)(a) of this section, and in any case in
19 which the analysis shows an alcohol concentration above 0.00 may be
20 used as evidence that a person was under the influence of or affected
21 by intoxicating liquor or any drug in violation of subsection (1)(c)
22 or (d) of this section.

23 (b) Analyses of blood samples obtained more than two hours after
24 the alleged being in actual physical control of a vehicle may be used
25 as evidence that within two hours of the alleged being in control of
26 the vehicle, a person had a THC concentration of 5.00 or more in
27 violation of subsection (1)(b) of this section, and in any case in
28 which the analysis shows a THC concentration above 0.00 may be used
29 as evidence that a person was under the influence of or affected by
30 (~~marijuana~~) cannabis in violation of subsection (1)(c) or (d) of
31 this section.

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

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

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

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

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

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

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

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

6 **Sec. 43.** RCW 46.61.50571 and 2015 3rd sp.s. c 35 s 2 are each
7 amended to read as follows:

8 (1) A defendant who is charged with an offense involving driving
9 while under the influence as defined in RCW 46.61.502, driving under
10 age twenty-one after consuming alcohol or (~~marijuana~~) cannabis as
11 defined in RCW 46.61.503, or being in physical control of a vehicle
12 while under the influence as defined in RCW 46.61.504, shall be
13 required to appear in person before a judicial officer within one
14 judicial day after the arrest if the defendant is served with a
15 citation or complaint at the time of the arrest. A court may by local
16 court rule waive the requirement for appearance within one judicial
17 day if it provides for the appearance at the earliest practicable day
18 following arrest and establishes the method for identifying that day
19 in the rule.

20 (2) A defendant who is charged with an offense involving driving
21 while under the influence as defined in RCW 46.61.502, driving under
22 age twenty-one after consuming alcohol or (~~marijuana~~) cannabis as
23 defined in RCW 46.61.503, or being in physical control of a vehicle
24 while under the influence as defined in RCW 46.61.504, and who is not
25 served with a citation or complaint at the time of the incident,
26 shall appear in court for arraignment in person as soon as
27 practicable, but in no event later than fourteen days after the next
28 day on which court is in session following the issuance of the
29 citation or the filing of the complaint or information.

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

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

36 (5) If electronic monitoring or alcohol abstinence monitoring is
37 ordered, the court shall specify who shall provide the monitoring
38 services, and the terms under which the monitoring shall be
39 performed. Upon conviction, the court may require as a condition of

1 the sentence that the defendant reimburse the providing agency for
2 the costs of the electronic monitoring or abstinence monitoring.

3 **Sec. 44.** RCW 46.61.5249 and 2013 2nd sp.s. c 35 s 16 are each
4 amended to read as follows:

5 (1)(a) A person is guilty of negligent driving in the first
6 degree if he or she operates a motor vehicle in a manner that is both
7 negligent and endangers or is likely to endanger any person or
8 property, and exhibits the effects of having consumed liquor or
9 (~~marijuana~~) cannabis or any drug or exhibits the effects of having
10 inhaled or ingested any chemical, whether or not a legal substance,
11 for its intoxicating or hallucinatory effects.

12 (b) It is an affirmative defense to negligent driving in the
13 first degree by means of exhibiting the effects of having consumed
14 any drug that must be proved by the defendant by a preponderance of
15 the evidence, that the driver has a valid prescription for the drug
16 consumed, and has been consuming it according to the prescription
17 directions and warnings.

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

19 (2) For the purposes of this section:

20 (a) "Negligent" means the failure to exercise ordinary care, and
21 is the doing of some act that a reasonably careful person would not
22 do under the same or similar circumstances or the failure to do
23 something that a reasonably careful person would do under the same or
24 similar circumstances.

25 (b) "Exhibiting the effects of having consumed liquor,
26 (~~marijuana~~) cannabis, or any drug" means that a person has the odor
27 of liquor, (~~marijuana~~) cannabis, or any drug on his or her breath,
28 or that by speech, manner, appearance, behavior, lack of
29 coordination, or otherwise exhibits that he or she has consumed
30 liquor, (~~marijuana~~) cannabis, or any drug, and either:

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

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

36 (c) "Exhibiting the effects of having inhaled or ingested any
37 chemical, whether or not a legal substance, for its intoxicating or
38 hallucinatory effects" means that a person by speech, manner,

1 appearance, behavior, or lack of coordination or otherwise exhibits
2 that he or she has inhaled or ingested a chemical and either:

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

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

7 (3) Any act prohibited by this section that also constitutes a
8 crime under any other law of this state may be the basis of
9 prosecution under such other law notwithstanding that it may also be
10 the basis for prosecution under this section.

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

15 **Sec. 45.** RCW 46.61.745 and 2015 2nd sp.s. c 3 s 8 are each
16 amended to read as follows:

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

18 (i) For the registered owner of a motor vehicle, or the driver if
19 the registered owner is not then present, or passengers in the
20 vehicle, to keep ((~~marijuana~~)) cannabis in a motor vehicle when the
21 vehicle is upon a highway, unless it is (A) in the trunk of the
22 vehicle, (B) in some other area of the vehicle not normally occupied
23 or directly accessible by the driver or passengers if the vehicle
24 does not have a trunk, or (C) in a package, container, or receptacle
25 that has not been opened or the seal broken or contents partially
26 removed. A utility compartment or glove compartment is deemed to be
27 within the area occupied by the driver and passengers;

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

31 (iii) To place ((~~marijuana~~)) cannabis in a container specifically
32 labeled by the manufacturer of the container as containing a
33 ((~~nonmarijuana~~)) noncannabis substance and to then violate (a)(i) of
34 this subsection.

35 (b) There is a rebuttable presumption that it is a traffic
36 infraction if the original container of ((~~marijuana~~)) cannabis is
37 incorrectly labeled and there is a subsequent violation of (a)(i) of
38 this subsection.

1 (2) As used in this section, (~~"marijuana" or "marihuana"~~)
2 "cannabis" means all parts of the plant *Cannabis*, whether growing or
3 not; the seeds thereof; the resin extracted from any part of the
4 plant; and every compound, manufacture, salt, derivative, mixture, or
5 preparation of the plant, its seeds, or resin. The term does not
6 include the mature stalks of the plant, fiber produced from the
7 stalks, oil or cake made from the seeds of the plant, any other
8 compound, manufacture, salt, derivative, mixture, or preparation of
9 the mature stalks, except the resin extracted therefrom, fiber, oil,
10 or cake, or the sterilized seed of the plant which is incapable of
11 germination.

12 **Sec. 46.** RCW 66.08.050 and 2015 2nd sp.s. c 4 s 601 are each
13 amended to read as follows:

14 The board, subject to the provisions of this title and the rules,
15 must:

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

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

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

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

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

29 (6) Accept and deposit into the general fund-local account and
30 disburse, subject to appropriation, federal grants or other funds or
31 donations from any source for the purpose of improving public
32 awareness of the health risks associated with alcohol and
33 (~~marijuana~~) cannabis consumption by youth and the abuse of alcohol
34 and (~~marijuana~~) cannabis by adults in Washington state. The board's
35 alcohol awareness program must cooperate with federal and state
36 agencies, interested organizations, and individuals to effect an
37 active public beverage alcohol awareness program. For the purposes of
38 this subsection, "cannabis" has the meaning provided in RCW
39 69.50.101;

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

4 (8) Perform all other matters and things, whether similar to the
5 foregoing or not, to carry out the provisions of this title, and has
6 full power to do each and every act necessary to the conduct of its
7 regulatory functions, including all supplies procurement, preparation
8 and approval of forms, and every other undertaking necessary to
9 perform its regulatory functions whatsoever, subject only to audit by
10 the state auditor. However, the board has no authority to regulate
11 the content of spoken language on licensed premises where wine and
12 other liquors are served and where there is not a clear and present
13 danger of disorderly conduct being provoked by such language or to
14 restrict advertising of lawful prices.

15 **Sec. 47.** RCW 69.04.480 and 2009 c 549 s 1023 are each amended to
16 read as follows:

17 A drug or device shall be deemed to be misbranded if it is for
18 use by human beings and contains any quantity of the narcotic or
19 hypnotic substance alpha eucaine, barbituric acid, beta eucaine,
20 bromal, cannabis, as that term is defined in RCW 69.50.101,
21 carbromal, chloral, coca, cocaine, codeine, heroin, (~~marijuana,~~)
22 morphine, opium, paraldehyde, peyote, or sulphomethane; or any
23 chemical derivative of such substance, which derivative has been
24 designated as habit forming by regulations promulgated under section
25 502(d) of the federal act; unless its label bears the name and
26 quantity or proportion of such substance or derivative and in
27 juxtaposition therewith the statement "Warning—May be habit forming."

28 **Sec. 48.** RCW 69.07.010 and 2021 c 104 s 5 are each amended to
29 read as follows:

30 The definitions in this section apply throughout this chapter
31 unless the context clearly requires otherwise.

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

33 (2) "Department" means the department of agriculture of the state
34 of Washington.

35 (3) "Director" means the director of the department.

36 (4) "Food" means any substance used for food or drink by any
37 person, including ice, bottled water, and any ingredient used for

1 components of any such substance regardless of the quantity of such
2 component.

3 (5) "Food processing" means the handling or processing of any
4 food in any manner in preparation for sale for human consumption:
5 PROVIDED, That it shall not include fresh fruit or vegetables merely
6 washed or trimmed while being prepared or packaged for sale in their
7 natural state.

8 (6) "Food processing plant" includes but is not limited to any
9 premises, plant, establishment, building, room, area, facilities and
10 the appurtenances thereto, in whole or in part, where food is
11 prepared, handled or processed in any manner for distribution or sale
12 for resale by retail outlets, restaurants, and any such other
13 facility selling or distributing to the ultimate consumer: PROVIDED,
14 That, as set forth herein, establishments processing foods in any
15 manner for resale shall be considered a food processing plant as to
16 such processing.

17 (7) "Food service establishment" shall mean any fixed or mobile
18 restaurant, coffee shop, cafeteria, short order cafe, luncheonette,
19 grill, tearoom, sandwich shop, soda fountain, tavern, bar, cocktail
20 lounge, night club, roadside stand, industrial-feeding establishment,
21 retail grocery, retail food market, retail meat market, retail
22 bakery, private, public, or nonprofit organization routinely serving
23 food, catering kitchen, commissary or similar place in which food or
24 drink is prepared for sale or for service on the premises or
25 elsewhere, and any other eating or drinking establishment or
26 operation where food is served or provided for the public with or
27 without charge.

28 For the purpose of this chapter any custom cannery or processing
29 plant where raw food products, food, or food products are processed
30 for the owner thereof, or the food processing facilities are made
31 available to the owners or persons in control of raw food products or
32 food or food products for processing in any manner, shall be
33 considered to be food processing plants.

34 (8) "Hemp extract" means a substance or compound intended for
35 human ingestion that is derived from, or made by, processing hemp.
36 The term does not include hemp seeds or hemp seed-derived ingredients
37 that are generally recognized as safe by the United States food and
38 drug administration.

39 (9) "Hemp extract certification" means a certification issued by
40 the department to a hemp processor manufacturing hemp extract for

1 export to other states, which certifies the hemp processor's
2 compliance with Washington state's inspection and sanitation
3 requirements.

4 (10) "Hemp processor" has same meaning as defined in RCW
5 15.140.020.

6 (11) (~~("Marijuana")~~) "Cannabis" has the definition in RCW
7 69.50.101.

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

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

20 (14) (~~("Marijuana")~~) "Cannabis processor" has the definition in
21 RCW 69.50.101.

22 (15) "Person" means an individual, partnership, corporation, or
23 association.

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

27 **Sec. 49.** RCW 69.07.020 and 2021 c 104 s 7 are each amended to
28 read as follows:

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

32 (2) Such rules may include:

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

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

38 (c) Standards and types of recording devices that must be used in
39 providing records of the processing of low acid foods, and how they

1 shall be made available to the department of agriculture for
2 inspection.

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

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

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

13 (4) The department may adopt rules specific to hemp extract
14 certification to implement RCW 69.07.220.

15 **Sec. 50.** 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. 51.** RCW 69.50.101 and 2020 c 133 s 2 and 2020 c 80 s 43 are
34 each reenacted and amended to 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 into marijuana~~) cannabis into
21 cannabis concentrates, useable (~~marijuana, and marijuana-infused~~)
22 cannabis, and cannabis-infused products, package and label
23 (~~marijuana~~) cannabis concentrates, useable (~~marijuana, and~~
24 ~~marijuana-infused~~) cannabis, and cannabis-infused products for sale
25 in retail outlets, and sell (~~marijuana~~) cannabis concentrates,
26 useable (~~marijuana, and marijuana-infused~~) cannabis, and cannabis-
27 infused 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, and marijuana-infused)~~) cannabis, and 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 optometrist licensed under chapter 18.53 RCW
18 who is certified by the optometry board under RCW 18.53.010 subject
19 to any limitations in RCW 18.53.010; a dentist under chapter 18.32
20 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a
21 veterinarian under chapter 18.92 RCW; a registered nurse, advanced
22 registered nurse practitioner, or licensed practical nurse under
23 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW
24 who is licensed under RCW 18.36A.030 subject to any limitations in
25 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific
26 investigator under this chapter, licensed, registered or otherwise
27 permitted insofar as is consistent with those licensing laws to
28 distribute, dispense, conduct research with respect to or administer
29 a controlled substance in the course of their professional practice
30 or research in this state.

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

35 (3) A physician licensed to practice medicine and surgery, a
36 physician licensed to practice osteopathic medicine and surgery, a
37 dentist licensed to practice dentistry, a podiatric physician and
38 surgeon licensed to practice podiatric medicine and surgery, a
39 licensed physician assistant or a licensed osteopathic physician
40 assistant specifically approved to prescribe controlled substances by

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

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

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

12 (pp) "Qualifying patient" has the meaning provided in RCW
13 69.51A.010.

14 (qq) "Recognition card" has the meaning provided in RCW
15 69.51A.010.

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

20 (ss) "Secretary" means the secretary of health or the secretary's
21 designee.

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

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

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

37 (ww) "Useable ((~~marijuana~~)) cannabis" means dried ((~~marijuana~~))
38 cannabis flowers. The term "useable ((~~marijuana~~)) cannabis" does not
39 include either ((~~marijuana-infused~~)) cannabis-infused products or
40 ((~~marijuana~~)) cannabis concentrates.

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

6 **Sec. 52.** RCW 69.50.102 and 2012 c 117 s 366 are each amended to
7 read as follows:

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

16 (1) Kits used, intended for use, or designed for use in planting,
17 propagating, cultivating, growing, or harvesting of any species of
18 plant which is a controlled substance or from which a controlled
19 substance can be derived;

20 (2) Kits used, intended for use, or designed for use in
21 manufacturing, compounding, converting, producing, processing, or
22 preparing controlled substances;

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

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

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

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

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

37 (8) Blenders, bowls, containers, spoons, and mixing devices used,
38 intended for use, or designed for use in compounding controlled
39 substances;

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

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

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

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

12 (i) Metal, wooden, acrylic, glass, stone, plastic, or ceramic
13 pipes with or without screens, permanent screens, hashish heads, or
14 punctured metal bowls;

15 (ii) Water pipes;

16 (iii) Carburetion tubes and devices;

17 (iv) Smoking and carburetion masks;

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

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

22 (vii) Chamber pipes;

23 (viii) Carburetor pipes;

24 (ix) Electric pipes;

25 (x) Air-driven pipes;

26 (xi) Chillums;

27 (xii) Bongs; and

28 (xiii) Ice pipes or chillers.

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

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

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

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

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

- 1 (5) The existence of any residue of controlled substances on the
2 object;
- 3 (6) Direct or circumstantial evidence of the intent of an owner,
4 or of anyone in control of the object, to deliver it to persons whom
5 he or she knows, or should reasonably know, intend to use the object
6 to facilitate a violation of this chapter; the innocence of an owner,
7 or of anyone in control of the object, as to a direct violation of
8 this chapter shall not prevent a finding that the object is intended
9 or designed for use as drug paraphernalia;
- 10 (7) Instructions, oral or written, provided with the object
11 concerning its use;
- 12 (8) Descriptive materials accompanying the object which explain
13 or depict its use;
- 14 (9) National and local advertising concerning its use;
- 15 (10) The manner in which the object is displayed for sale;
- 16 (11) Whether the owner, or anyone in control of the object, is a
17 legitimate supplier of like or related items to the community, such
18 as a licensed distributor or dealer of tobacco products;
- 19 (12) Direct or circumstantial evidence of the ratio of sales of
20 the object(s) to the total sales of the business enterprise;
- 21 (13) The existence and scope of legitimate uses for the object in
22 the community; and
- 23 (14) Expert testimony concerning its use.

24 **Sec. 53.** RCW 69.50.204 and 2019 c 158 s 13 are each amended to
25 read as follows:

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

29 (a) Any of the following opiates, including their isomers,
30 esters, ethers, salts, and salts of isomers, esters, and ethers
31 whenever the existence of these isomers, esters, ethers, and salts is
32 possible within the specific chemical designation:

- 33 (1) Acetyl-alpha-methylfentanyl (N-[1-(1-methyl-2-phenethyl)-4-
34 piperidinyl]-N-phenylacetamide);
- 35 (2) Acetylmethadol;
- 36 (3) Allylprodine;
- 37 (4) Alphacetylmethadol, except levo-alphacetylmethadol, also
38 known as levo-alpha-acetylmethadol, levomethadyl acetate, or LAAM;
- 39 (5) Alphameprodine;

1 (6) Alphamethadol;

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

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

7 (9) Benzethidine;

8 (10) Betacetylmethadol;

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

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

14 (13) Betameprodine;

15 (14) Betamethadol;

16 (15) Betaprodine;

17 (16) Clonitazene;

18 (17) Dextromoramide;

19 (18) Diampromide;

20 (19) Diethylthiambutene;

21 (20) Difenoquin;

22 (21) Dimenoxadol;

23 (22) Dimepheptanol;

24 (23) Dimethylthiambutene;

25 (24) Dioxaphetyl butyrate;

26 (25) Dipipanone;

27 (26) Ethylmethylthiambutene;

28 (27) Etonitazene;

29 (28) Etoxadine;

30 (29) Furethidine;

31 (30) Hydroxypethidine;

32 (31) Ketobemidone;

33 (32) Levomoramide;

34 (33) Levophenacetylmorphan;

35 (34) 3-Methylfentanyl (N-[3-methyl-1-(2-phenylethyl)-4-
36 piperidyl]-N-phenylprop anamide);

37 (35) 3-Methylthiofentanyl (N-[3-methyl-1-(2-thienyl)ethyl-4-
38 piperidinyl]-N-phenylpropanamide);

39 (36) Morpheridine;

40 (37) MPPP (1-methyl-4-phenyl-4-propionoxypiperidine);

- 1 (38) Noracymethadol;
- 2 (39) Norlevorphanol;
- 3 (40) Normethadone;
- 4 (41) Norpipanone;
- 5 (42) Para-fluorofentanyl (N-(4-fluorophenyl)-N-[1-(2-
- 6 phenethyl)-4-piperidinyl] propanamide);
- 7 (43) PEPAP (1-(-2-phenethyl)-4-phenyl-4-acetoxypiperidine);
- 8 (44) Phenadoxone;
- 9 (45) Phenampromide;
- 10 (46) Phenomorphan;
- 11 (47) Phenoperidine;
- 12 (48) Piritramide;
- 13 (49) Proheptazine;
- 14 (50) Properidine;
- 15 (51) Propiram;
- 16 (52) Racemoramide;
- 17 (53) Thiofentanyl (N-phenyl-N-[1-(2-thienyl)ethyl-4-piperidinyl]-
- 18 propanamide);
- 19 (54) Tilidine;
- 20 (55) Trimeperidine.

21 (b) Opium derivatives. Unless specifically excepted or unless
22 listed in another schedule, any of the following opium derivatives,
23 including their salts, isomers, and salts of isomers whenever the
24 existence of those salts, isomers, and salts of isomers is possible
25 within the specific chemical designation:

- 26 (1) Acetorphine;
- 27 (2) Acetyldihydrocodeine;
- 28 (3) Benzylmorphine;
- 29 (4) Codeine methylbromide;
- 30 (5) Codeine-N-Oxide;
- 31 (6) Cyprenorphine;
- 32 (7) Desomorphine;
- 33 (8) Dihydromorphine;
- 34 (9) Drotebanol;
- 35 (10) Etorphine, except hydrochloride salt;
- 36 (11) Heroin;
- 37 (12) Hydromorphanol;
- 38 (13) Methyldesorphine;
- 39 (14) Methyldihydromorphine;
- 40 (15) Morphine methylbromide;

- 1 (16) Morphine methylsulfonate;
- 2 (17) Morphine-N-Oxide;
- 3 (18) Myrophine;
- 4 (19) Nicocodeine;
- 5 (20) Nicomorphine;
- 6 (21) Normorphine;
- 7 (22) Pholcodine;
- 8 (23) Thebacon.

9 (c) Hallucinogenic substances. Unless specifically excepted or
10 unless listed in another schedule, any material, compound, mixture,
11 or preparation which contains any quantity of the following
12 hallucinogenic substances, including their salts, isomers, and salts
13 of isomers whenever the existence of those salts, isomers, and salts
14 of isomers is possible within the specific chemical designation. For
15 the purposes of this subsection only, the term "isomer" includes the
16 optical, position, and geometric isomers:

- 17 (1) Alpha-ethyltryptamine: Some trade or other names:
18 Etryptamine; monase; a-ethyl-1H-indole-3-ethanamine; 3-(2-aminobutyl)
19 indole; a-ET; and AET;
- 20 (2) 4-bromo-2,5-dimethoxy-amphetamine: Some trade or other names:
21 4-bromo-2,5-dimethoxy-a-methylphenethylamine; 4-bromo-2,5-DMA;
- 22 (3) 4-bromo-2,5-dimethoxyphenethylamine: Some trade or other
23 names: 2-(4-bromo-2,5-dimethoxyphenyl)-1-aminoethane; alpha-desmethyl
24 DOB; 2C-B, nexus;
- 25 (4) 2,5-dimethoxyamphetamine: Some trade or other names: 2,5-
26 dimethoxy-a-methylphenethylamine; 2,5-DMA;
- 27 (5) 2,5-dimethoxy-4-ethylamphetamine (DOET);
- 28 (6) 2,5-dimethoxy-4-(n)-propylthiophenethylamine: Other name:
29 2C-T-7;
- 30 (7) 4-methoxyamphetamine: Some trade or other names: 4-methoxy-a-
31 methylphenethylamine; paramethoxyamphetamine, PMA;
- 32 (8) 5-methoxy-3,4-methylenedioxy-amphetamine;
- 33 (9) 4-methyl-2,5-dimethoxy-amphetamine: Some trade and other
34 names: 4-methyl-2,5-dimethoxy-a-methylphenethylamine; "DOM"; and
35 "STP";
- 36 (10) 3,4-methylenedioxy amphetamine;
- 37 (11) 3,4-methylenedioxymethamphetamine (MDMA);
- 38 (12) 3,4-methylenedioxy-N-ethylamphetamine, also known as N-
39 ethyl-alpha-methyl-3,4(methylenedioxy)phenethylamine, N-ethyl MDA,
40 MDE, MDEA;

1 (13) N-hydroxy-3,4-methylenedioxyamphetamine also known as
2 N-hydroxy-alpha-methyl-3,4(methylenedioxy)phenethylamine, N-hydroxy
3 MDA;

4 (14) 3,4,5-trimethoxy amphetamine;

5 (15) Alpha-methyltryptamine: Other name: AMT;

6 (16) Bufotenine: Some trade or other names: 3-(beta-
7 Dimethylaminoethyl)-5-hydroxyindole; 3-(2-dimethylaminoethyl)-5-
8 indolol; N, N-dimethylserotonin; 5-hydroxy-N,N-dimethyltryptamine;
9 mappine;

10 (17) Cannabis;

11 (18) Diethyltryptamine: Some trade or other names: N,N-
12 Diethyltryptamine; DET;

13 ~~((18))~~ (19) Dimethyltryptamine: Some trade or other names: DMT;

14 ~~((19))~~ (20) 5-methoxy-N,N-diisopropyltryptamine: Other name:
15 5-MeO-DIPT;

16 ~~((20))~~ (21) Ibogaine: Some trade or other names: 7-Ethyl-6,6
17 beta,7,8,9,10,12,13,-octahydro-2-methoxy-6,9-methano-5H-pyndo (1',2'
18 1,2) azepino (5,4-b) indole; Tabernanthe iboga;

19 ~~((21))~~ (22) Lysergic acid diethylamide;

20 ~~((22) Marihuana or marijuana;)~~

21 (23) Mescaline;

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

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

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

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

33 (28) Psilocybin;

34 (29) Psilocyn;

35 (30) (i) Tetrahydrocannabinols, meaning tetrahydrocannabinols
36 naturally contained in a plant of the genera Cannabis, as well as
37 synthetic equivalents of the substances contained in the plant, or in
38 the resinous extractives of the genera Cannabis, and/or synthetic
39 substances, derivatives, and their isomers with similar chemical
40 structure and pharmacological activity such as the following:

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

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

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

9 (D) That is chemically synthesized and either:

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

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

15 (Since nomenclature of these substances is not internationally
16 standardized, compounds of these structures, regardless of numerical
17 designation of atomic positions covered.)

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

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

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

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

29 (34) 1-[1-(2-thienyl)cyclohexyl]pyrrolidine: A trade or other
30 name is TCPy.

31 (d) Depressants. Unless specifically excepted or unless listed in
32 another schedule, any material, compound, mixture, or preparation
33 which contains any quantity of the following substances having a
34 depressant effect on the central nervous system, including its salts,
35 isomers, and salts of isomers whenever the existence of such salts,
36 isomers, and salts of isomers is possible within the specific
37 chemical designation.

38 (1) Gamma-hydroxybutyric acid: Some other names include GHB;
39 gamma-hydroxybutyrate; 4-hydroxybutyrate; 4-hydroxybutanoic acid;
40 sodium oxybate; sodium oxybutyrate;

1 (2) Mecloqualone;

2 (3) Methaqualone.

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

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

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

11 (3) Cathinone, also known as 2-amino-1-phenyl-1-propanone,
12 alpha-aminopropiophenone, 2-aminopropiophenone and norephedrone;

13 (4) Fenethylamine;

14 (5) Methcathinone: Some other names: 2-(methylamino)-
15 propiophenone; alpha-(methylamino)propiophenone; 2-(methylamino)-1-
16 phenylpropan-1-one; alpha-N-methylaminopropiophenone;
17 monomethylpropion; ephedrone; N-methylcathinone; methylcathinone;
18 AL-464; AL-422; AL-463 and UR1432, its salts, optical isomers, and
19 salts of optical isomers;

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

22 (7) N-ethylamphetamine;

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

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

27 **Sec. 54.** RCW 69.50.325 and 2020 c 236 s 6 are each amended to
28 read as follows:

29 (1) There shall be a ((~~marijuana~~)) cannabis producer's license
30 regulated by the board and subject to annual renewal. The licensee is
31 authorized to produce: (a) ((~~Marijuana~~)) Cannabis for sale at
32 wholesale to ((~~marijuana~~)) cannabis processors and other
33 ((~~marijuana~~)) cannabis producers; (b) immature plants or clones and
34 seeds for sale to cooperatives as described under RCW 69.51A.250; and
35 (c) immature plants or clones and seeds for sale to qualifying
36 patients and designated providers as provided under RCW 69.51A.310.
37 The production, possession, delivery, distribution, and sale of
38 ((~~marijuana~~)) cannabis in accordance with the provisions of this
39 chapter and the rules adopted to implement and enforce it, by a

1 validly licensed ((~~marijuana~~)) cannabis producer, shall not be a
2 criminal or civil offense under Washington state law. Every
3 ((~~marijuana~~)) cannabis producer's license shall be issued in the name
4 of the applicant, shall specify the location at which the
5 ((~~marijuana~~)) cannabis producer intends to operate, which must be
6 within the state of Washington, and the holder thereof shall not
7 allow any other person to use the license. The application fee for a
8 ((~~marijuana~~)) cannabis producer's license shall be two hundred fifty
9 dollars. The annual fee for issuance and renewal of a ((~~marijuana~~))
10 cannabis producer's license shall be one thousand three hundred
11 eighty-one dollars. A separate license shall be required for each
12 location at which a ((~~marijuana~~)) cannabis producer intends to
13 produce ((~~marijuana~~)) cannabis.

14 (2) There shall be a ((~~marijuana~~)) cannabis processor's license
15 to process, package, and label ((~~marijuana~~)) cannabis concentrates,
16 useable ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-
17 infused products for sale at wholesale to ((~~marijuana~~)) cannabis
18 processors and ((~~marijuana~~)) cannabis retailers, regulated by the
19 board and subject to annual renewal. The processing, packaging,
20 possession, delivery, distribution, and sale of ((~~marijuana~~))
21 cannabis, useable ((~~marijuana, —marijuana-infused~~)) cannabis,
22 cannabis-infused products, and ((~~marijuana~~)) cannabis concentrates in
23 accordance with the provisions of this chapter and chapter 69.51A RCW
24 and the rules adopted to implement and enforce these chapters, by a
25 validly licensed ((~~marijuana~~)) cannabis processor, shall not be a
26 criminal or civil offense under Washington state law. Every
27 ((~~marijuana~~)) cannabis processor's license shall be issued in the
28 name of the applicant, shall specify the location at which the
29 licensee intends to operate, which must be within the state of
30 Washington, and the holder thereof shall not allow any other person
31 to use the license. The application fee for a ((~~marijuana~~)) cannabis
32 processor's license shall be two hundred fifty dollars. The annual
33 fee for issuance and renewal of a ((~~marijuana~~)) cannabis processor's
34 license shall be one thousand three hundred eighty-one dollars. A
35 separate license shall be required for each location at which a
36 ((~~marijuana~~)) cannabis processor intends to process ((~~marijuana~~))
37 cannabis.

38 (3) (a) There shall be a ((~~marijuana~~)) cannabis retailer's license
39 to sell ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, and~~
40 ~~marijuana-infused~~)) cannabis, and cannabis-infused products at retail

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

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

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

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

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

35 (B) The board must require license forfeiture on or before
36 twenty-four calendar months of license issuance if a ((~~marijuana~~))
37 cannabis retailer is not fully operational and open to the public,
38 unless the board determines that circumstances out of the licensee's
39 control are preventing the licensee from becoming fully operational

1 and that, in the board's discretion, the circumstances warrant
2 extending the forfeiture period beyond twenty-four calendar months.

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

5 (iv) This subsection (3)(c) applies to ((marijuana)) cannabis
6 retailer's licenses issued before and after July 23, 2017. However,
7 no license of a ((marijuana)) cannabis retailer that otherwise meets
8 the conditions for license forfeiture established pursuant to this
9 subsection (3)(c) may be subject to forfeiture within the first nine
10 calendar months of July 23, 2017.

11 (v) The board may not require license forfeiture if the licensee
12 has been incapable of opening a fully operational retail
13 ((marijuana)) cannabis business due to actions by the city, town, or
14 county with jurisdiction over the licensee that include any of the
15 following:

16 (A) The adoption of a ban or moratorium that prohibits the
17 opening of a retail ((marijuana)) cannabis business; or

18 (B) The adoption of an ordinance or regulation related to zoning,
19 business licensing, land use, or other regulatory measure that has
20 the effect of preventing a licensee from receiving an occupancy
21 permit from the jurisdiction or which otherwise prevents a licensed
22 ((marijuana)) cannabis retailer from becoming operational.

23 (d) The board may issue ((marijuana)) cannabis retailer licenses
24 pursuant to this chapter and RCW 69.50.335.

25 **Sec. 55.** RCW 69.50.326 and 2018 c 132 s 1 are each amended to
26 read as follows:

27 (1) Licensed ((marijuana)) cannabis producers and licensed
28 ((marijuana)) cannabis processors may use a CBD product as an
29 additive for the purpose of enhancing the cannabidiol concentration
30 of any product authorized for production, processing, and sale under
31 this chapter. Except as otherwise provided in subsection (2) of this
32 section, such CBD product additives must be lawfully produced by, or
33 purchased from, a producer or processor licensed under this chapter.

34 (2) Subject to the requirements set forth in (a) and (b) of this
35 subsection, and for the purpose of enhancing the cannabidiol
36 concentration of any product authorized for production, processing,
37 or sale under this chapter, licensed ((marijuana)) cannabis producers
38 and licensed ((marijuana)) cannabis processors may use a CBD product

1 obtained from a source not licensed under this chapter, provided the
2 CBD product:

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

5 (b) Has been tested for contaminants and toxins by a testing
6 laboratory accredited under this chapter and in accordance with
7 testing standards established under this chapter and the applicable
8 administrative rules.

9 (3) Subject to the requirements of this subsection (3), the
10 (~~liquor and cannabis~~) board may enact rules necessary to implement
11 the requirements of this section. Such rule making is limited to
12 regulations pertaining to laboratory testing and product safety
13 standards for those cannabidiol products used by licensed producers
14 and processors in the manufacture of (~~marijuana~~) cannabis products
15 marketed by licensed retailers under this chapter (~~69.50 RCW~~). The
16 purpose of such rule making must be to ensure the safety and purity
17 of cannabidiol products used by (~~marijuana~~) cannabis producers and
18 processors licensed under this chapter (~~69.50 RCW~~) and incorporated
19 into products sold by licensed recreational (~~marijuana~~) cannabis
20 retailers. This rule-making authority does not include the authority
21 to enact rules regarding either the production or processing
22 practices of the industrial hemp industry or any cannabidiol products
23 that are sold or marketed outside of the regulatory framework
24 established under this chapter (~~69.50 RCW~~).

25 **Sec. 56.** RCW 69.50.327 and 2020 c 133 s 4 are each amended to
26 read as follows:

27 (1) Except as provided in subsection (2) of this section,
28 (~~marijuana~~) cannabis processors may incorporate in (~~marijuana~~)
29 cannabis vapor products a characterizing flavor if the characterizing
30 flavor is derived from botanical terpenes naturally occurring in the
31 cannabis plant, regardless of source, and if the characterizing
32 flavor mimics the terpene profile found in a cannabis plant.
33 Characterizing flavors authorized under this section do not include
34 any synthetic terpenes.

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

1 **Sec. 57.** RCW 69.50.328 and 2013 c 3 s 5 are each amended to read
2 as follows:

3 Neither a licensed (~~(marijuana)~~) cannabis producer nor a licensed
4 (~~(marijuana)~~) cannabis processor shall have a direct or indirect
5 financial interest in a licensed (~~(marijuana)~~) cannabis retailer.

6 **Sec. 58.** RCW 69.50.331 and 2020 c 154 s 1 are each amended to
7 read as follows:

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

20 (a) The board may cause an inspection of the premises to be made,
21 and may inquire into all matters in connection with the construction
22 and operation of the premises. For the purpose of reviewing any
23 application for a license and for considering the denial, suspension,
24 revocation, cancellation, or renewal or denial thereof, of any
25 license, the board may consider any prior criminal arrests or
26 convictions of the applicant, any public safety administrative
27 violation history record with the board, and a criminal history
28 record information check. The board may submit the criminal history
29 record information check to the Washington state patrol and to the
30 identification division of the federal bureau of investigation in
31 order that these agencies may search their records for prior arrests
32 and convictions of the individual or individuals who filled out the
33 forms. The board must require fingerprinting of any applicant whose
34 criminal history record information check is submitted to the federal
35 bureau of investigation. The provisions of RCW 9.95.240 and of
36 chapter 9.96A RCW do not apply to these cases. Subject to the
37 provisions of this section, the board may, in its discretion, grant
38 or deny the renewal or license applied for. Denial may be based on,
39 without limitation, the existence of chronic illegal activity

1 documented in objections submitted pursuant to subsections (7)(c) and
2 (10) of this section. Authority to approve an uncontested or
3 unopposed license may be granted by the board to any staff member the
4 board designates in writing. Conditions for granting this authority
5 must be adopted by rule.

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

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

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

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

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

18 (2)(a) The board may, in its discretion, subject to RCW
19 43.05.160, 69.50.563, 69.50.562, 69.50.334, and 69.50.342(3) suspend
20 or cancel any license; and all protections of the licensee from
21 criminal or civil sanctions under state law for producing,
22 processing, researching, or selling ((~~marijuana~~,~~—marijuana~~))
23 cannabis, cannabis concentrates, useable ((~~marijuana~~)) cannabis, or
24 ((~~marijuana-infused~~)) cannabis-infused products thereunder must be
25 suspended or terminated, as the case may be.

26 (b) The board must immediately suspend the license of a person
27 who has been certified pursuant to RCW 74.20A.320 by the department
28 of social and health services as a person who is not in compliance
29 with a support order. If the person has continued to meet all other
30 requirements for reinstatement during the suspension, reissuance of
31 the license is automatic upon the board's receipt of a release issued
32 by the department of social and health services stating that the
33 licensee is in compliance with the order.

34 (c) The board may request the appointment of administrative law
35 judges under chapter 34.12 RCW who shall have power to administer
36 oaths, issue subpoenas for the attendance of witnesses and the
37 production of papers, books, accounts, documents, and testimony,
38 examine witnesses, receive testimony in any inquiry, investigation,
39 hearing, or proceeding in any part of the state, and consider

1 mitigating and aggravating circumstances in any case and deviate from
2 any prescribed penalty, under rules the board may adopt.

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

8 (e) In case of disobedience of any person to comply with the
9 order of the board or a subpoena issued by the board, or any of its
10 members, or administrative law judges, or on the refusal of a witness
11 to testify to any matter regarding which he or she may be lawfully
12 interrogated, the judge of the superior court of the county in which
13 the person resides, on application of any member of the board or
14 administrative law judge, compels obedience by contempt proceedings,
15 as in the case of disobedience of the requirements of a subpoena
16 issued from said court or a refusal to testify therein.

17 (3) Upon receipt of notice of the suspension or cancellation of a
18 license, the licensee must forthwith deliver up the license to the
19 board. Where the license has been suspended only, the board must
20 return the license to the licensee at the expiration or termination
21 of the period of suspension. The board must notify all other
22 licensees in the county where the subject licensee has its premises
23 of the suspension or cancellation of the license; and no other
24 licensee or employee of another licensee may allow or cause any
25 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, useable
26 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
27 products to be delivered to or for any person at the premises of the
28 subject licensee.

29 (4) Every license issued under this chapter is subject to all
30 conditions and restrictions imposed by this chapter or by rules
31 adopted by the board to implement and enforce this chapter. All
32 conditions and restrictions imposed by the board in the issuance of
33 an individual license must be listed on the face of the individual
34 license along with the trade name, address, and expiration date.

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

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

39 (7) (a) Before the board issues a new or renewed license to an
40 applicant it must give notice of the application to the chief

1 executive officer of the incorporated city or town, if the
2 application is for a license within an incorporated city or town, or
3 to the county legislative authority, if the application is for a
4 license outside the boundaries of incorporated cities or towns, or to
5 the tribal government if the application is for a license within
6 Indian country, or to the port authority if the application for a
7 license is located on property owned by a port authority.

8 (b) The incorporated city or town through the official or
9 employee selected by it, the county legislative authority or the
10 official or employee selected by it, the tribal government, or port
11 authority has the right to file with the board within twenty days
12 after the date of transmittal of the notice for applications, or at
13 least thirty days prior to the expiration date for renewals, written
14 objections against the applicant or against the premises for which
15 the new or renewed license is asked. The board may extend the time
16 period for submitting written objections upon request from the
17 authority notified by the board.

18 (c) The written objections must include a statement of all facts
19 upon which the objections are based, and in case written objections
20 are filed, the city or town or county legislative authority may
21 request, and the board may in its discretion hold, a hearing subject
22 to the applicable provisions of Title 34 RCW. If the board makes an
23 initial decision to deny a license or renewal based on the written
24 objections of an incorporated city or town or county legislative
25 authority, the applicant may request a hearing subject to the
26 applicable provisions of Title 34 RCW. If a hearing is held at the
27 request of the applicant, board representatives must present and
28 defend the board's initial decision to deny a license or renewal.

29 (d) Upon the granting of a license under this title the board
30 must send written notification to the chief executive officer of the
31 incorporated city or town in which the license is granted, or to the
32 county legislative authority if the license is granted outside the
33 boundaries of incorporated cities or towns.

34 (8) (a) Except as provided in (b) through (e) of this subsection,
35 the board may not issue a license for any premises within one
36 thousand feet of the perimeter of the grounds of any elementary or
37 secondary school, playground, recreation center or facility, child
38 care center, public park, public transit center, or library, or any
39 game arcade admission to which is not restricted to persons aged
40 twenty-one years or older.

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

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

16 (d) The board may license premises located in compliance with the
17 distance requirements set in an ordinance adopted under (b) or (c) of
18 this subsection. Before issuing or renewing a research license for
19 premises within one thousand feet but not less than one hundred feet
20 of an elementary school, secondary school, or playground in
21 compliance with an ordinance passed pursuant to (c) of this
22 subsection, the board must ensure that the facility:

23 (i) Meets a security standard exceeding that which applies to
24 (~~marijuana~~) cannabis producer, processor, or retailer licensees;

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

27 (iii) Bears no advertising or signage indicating that it is a
28 (~~marijuana~~) cannabis research facility.

29 (e) The board must issue a certificate of compliance if the
30 premises met the requirements under (a), (b), (c), or (d) of this
31 subsection on the date of the application. The certificate allows the
32 licensee to operate the business at the proposed location
33 notwithstanding a later occurring, otherwise disqualifying factor.

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

39 (9) A city, town, or county may adopt an ordinance prohibiting a
40 (~~marijuana~~) cannabis producer or (~~marijuana~~) cannabis processor

1 from operating or locating a business within areas zoned primarily
2 for residential use or rural use with a minimum lot size of five
3 acres or smaller.

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

23 **Sec. 59.** RCW 69.50.334 and 2015 2nd sp.s. c 4 s 201 are each
24 amended to read as follows:

25 (1) The action, order, or decision of the (~~state liquor and~~
26 ~~cannabis~~) board as to any denial of an application for the
27 reissuance of a license to produce, process, or sell (~~marijuana~~)
28 cannabis, or as to any revocation, suspension, or modification of any
29 license to produce, process, or sell (~~marijuana~~) cannabis, or as to
30 the administrative review of a notice of unpaid trust fund taxes
31 under RCW 69.50.565, must be an adjudicative proceeding and subject
32 to the applicable provisions of chapter 34.05 RCW.

33 (2) An opportunity for a hearing may be provided to an applicant
34 for the reissuance of a license prior to the disposition of the
35 application, and if no opportunity for a prior hearing is provided
36 then an opportunity for a hearing to reconsider the application must
37 be provided the applicant.

38 (3) An opportunity for a hearing must be provided to a licensee
39 prior to a revocation or modification of any license and, except as

1 provided in subsection (6) of this section, prior to the suspension
2 of any license.

3 (4) An opportunity for a hearing must be provided to any person
4 issued a notice of unpaid trust fund taxes under RCW 69.50.565.

5 (5) No hearing may be required under this section until demanded
6 by the applicant, licensee, or person issued a notice of unpaid trust
7 fund taxes under RCW 69.50.565.

8 (6) The ((~~state liquor and cannabis~~)) board may summarily suspend
9 a license for a period of up to one hundred eighty days without a
10 prior hearing if it finds that public health, safety, or welfare
11 imperatively require emergency action, and it incorporates a finding
12 to that effect in its order. Proceedings for revocation or other
13 action must be promptly instituted and determined. An administrative
14 law judge may extend the summary suspension period for up to one
15 calendar year from the first day of the initial summary suspension in
16 the event the proceedings for revocation or other action cannot be
17 completed during the initial one hundred eighty-day period due to
18 actions by the licensee. The ((~~state liquor and cannabis~~)) board's
19 enforcement division shall complete a preliminary staff investigation
20 of the violation before requesting an emergency suspension by the
21 ((~~state liquor and cannabis~~)) board.

22 **Sec. 60.** RCW 69.50.335 and 2021 c 169 s 2 are each amended to
23 read as follows:

24 (1) Beginning December 1, 2020, and until July 1, 2029, cannabis
25 retailer licenses that have been subject to forfeiture, revocation,
26 or cancellation by the board, or cannabis retailer licenses that were
27 not previously issued by the board but could have been issued without
28 exceeding the limit on the statewide number of cannabis retailer
29 licenses established before January 1, 2020, by the board, may be
30 issued or reissued to an applicant who meets the cannabis retailer
31 license requirements of this chapter.

32 (2)(a) In order to be considered for a retail license under
33 subsection (1) of this section, an applicant must be a social equity
34 applicant and submit a social equity plan along with other cannabis
35 retailer license application requirements to the board. If the
36 application proposes ownership by more than one person, then at least
37 fifty-one percent of the proposed ownership structure must reflect
38 the qualifications of a social equity applicant.

1 (b) Persons holding an existing cannabis retailer license or
2 title certificate for a cannabis retailer business in a local
3 jurisdiction subject to a ban or moratorium on cannabis retail
4 businesses may apply for a license under this section.

5 (3) (a) In determining the issuance of a license among applicants,
6 the board may prioritize applicants based on the extent to which the
7 application addresses the components of the social equity plan.

8 (b) The board may deny any application submitted under this
9 subsection if the board determines that:

10 (i) The application does not meet social equity goals or does not
11 meet social equity plan requirements; or

12 (ii) The application does not otherwise meet the licensing
13 requirements of this chapter.

14 (4) The board may adopt rules to implement this section. Rules
15 may include strategies for receiving advice on the social equity
16 program from individuals the program is intended to benefit. Rules
17 may also require that licenses awarded under this section be
18 transferred or sold only to individuals or groups of individuals who
19 comply with the requirements for initial licensure as a social equity
20 applicant with a social equity plan under this section.

21 (5) The annual fee for issuance, reissuance, or renewal for any
22 license under this section must be equal to the fee established in
23 RCW 69.50.325.

24 (6) For the purposes of this section:

25 (a) (~~("Cannabis" has the meaning provided for "marijuana" under
26 this chapter.~~

27 ~~(b))~~) "Disproportionately impacted area" means a census tract or
28 comparable geographic area that satisfies the following criteria,
29 which may be further defined in rule by the board after consultation
30 with the commission on African American affairs and other agencies,
31 commissions, and community members as determined by the board:

32 (i) The area has a high poverty rate;

33 (ii) The area has a high rate of participation in income-based
34 federal or state programs;

35 (iii) The area has a high rate of unemployment; and

36 (iv) The area has a high rate of arrest, conviction, or
37 incarceration related to the sale, possession, use, cultivation,
38 manufacture, or transport of cannabis.

39 (~~(e))~~) (b) "Social equity applicant" means:

1 (i) An applicant who has at least fifty-one percent ownership and
2 control by one or more individuals who have resided in a
3 disproportionately impacted area for a period of time defined in rule
4 by the board after consultation with the commission on African
5 American affairs and other commissions, agencies, and community
6 members as determined by the board;

7 (ii) An applicant who has at least fifty-one percent ownership
8 and control by at least one individual who has been convicted of a
9 cannabis offense, a drug offense, or is a family member of such an
10 individual; or

11 (iii) An applicant who meets criteria defined in rule by the
12 board after consultation with the commission on African American
13 affairs and other commissions, agencies, and community members as
14 determined by the board.

15 ~~((d))~~ (c) "Social equity goals" means:

16 (i) Increasing the number of cannabis retailer licenses held by
17 social equity applicants from disproportionately impacted areas; and

18 (ii) Reducing accumulated harm suffered by individuals, families,
19 and local areas subject to severe impacts from the historical
20 application and enforcement of cannabis prohibition laws.

21 ~~((e))~~ (d) "Social equity plan" means a plan that addresses at
22 least some of the elements outlined in this subsection (6) ~~((e))~~
23 (d), along with any additional plan components or requirements
24 approved by the board following consultation with the task force
25 created in RCW 69.50.336. The plan may include:

26 (i) A statement that the social equity applicant qualifies as a
27 social equity applicant and intends to own at least fifty-one percent
28 of the proposed cannabis retail business or applicants representing
29 at least fifty-one percent of the ownership of the proposed business
30 qualify as social equity applicants;

31 (ii) A description of how issuing a cannabis retail license to
32 the social equity applicant will meet social equity goals;

33 (iii) The social equity applicant's personal or family history
34 with the criminal justice system including any offenses involving
35 cannabis;

36 (iv) The composition of the workforce the social equity applicant
37 intends to hire;

38 (v) Neighborhood characteristics of the location where the social
39 equity applicant intends to operate, focusing especially on
40 disproportionately impacted areas; and

1 (vi) Business plans involving partnerships or assistance to
2 organizations or residents with connection to populations with a
3 history of high rates of enforcement of cannabis prohibition.

4 **Sec. 61.** RCW 69.50.336 and 2021 c 169 s 3 are each amended to
5 read as follows:

6 (1) A legislative task force on social equity in cannabis is
7 established. The purpose of the task force is to make recommendations
8 to the board including but not limited to establishing a social
9 equity program for the issuance and reissuance of existing retail,
10 processor, and producer cannabis licenses, and to advise the governor
11 and the legislature on policies that will facilitate development of a
12 cannabis social equity program.

13 (2) The members of the task force are as provided in this
14 subsection.

15 (a) The president of the senate shall appoint one member from
16 each of the two largest caucuses of the senate.

17 (b) The speaker of the house of representatives shall appoint one
18 member from each of the two largest caucuses of the house of
19 representatives.

20 (c) The president of the senate and the speaker of the house of
21 representatives shall jointly appoint:

22 (i) One member from each of the following:

23 (A) The commission on African American affairs;

24 (B) The commission on Hispanic affairs;

25 (C) The governor's office of Indian affairs;

26 (D) An organization representing the African American community;

27 (E) An organization representing the Latinx community;

28 (F) A labor organization involved in the cannabis industry;

29 (G) The liquor and cannabis board;

30 (H) The department of commerce;

31 (I) The office of the attorney general; and

32 (J) The association of Washington cities;

33 (ii) Two members that currently hold a cannabis retail license;

34 (iii) Two members that currently hold a producer license; and

35 (iv) Two members that currently hold a processor license.

36 (3) In addition to the members appointed to the task force under
37 subsection (2) of this section, individuals representing other
38 sectors may be invited by the chair of the task force, in

1 consultation with the other appointed members of the task force, to
2 participate in an advisory capacity in meetings of the task force.

3 (a) Individuals participating in an advisory capacity under this
4 subsection are not members of the task force, may not vote, and are
5 not subject to the appointment process established in this section.

6 (b) There is no limit to the number of individuals who may
7 participate in task force meetings in an advisory capacity under this
8 subsection.

9 (c) A majority of the task force members constitutes a quorum. If
10 a member has not been designated for a position set forth in this
11 section, that position may not be counted for the purpose of
12 determining a quorum.

13 (4) The task force shall hold its first meeting by July 1, 2020.
14 The task force shall elect a chair from among its legislative members
15 at the first meeting. The election of the chair must be by a majority
16 vote of the task force members who are present at the meeting. The
17 chair of the task force is responsible for arranging subsequent
18 meetings and developing meeting agendas.

19 (5) Staff support for the task force, including arranging the
20 first meeting of the task force and assisting the chair of the task
21 force in arranging subsequent meetings, must be provided by the
22 health equity council of the governor's interagency
23 (~~(coordinating))~~ coordinating council on health disparities. The
24 responsibility for providing staff support for the task force must be
25 transferred to the office of equity created under chapter 43.06D RCW
26 when requested by the office of equity.

27 (6) Legislative members of the task force may be reimbursed for
28 travel expenses in accordance with RCW 44.04.120. Nonlegislative
29 members are not entitled to be reimbursed for travel expenses if they
30 are elected officials or are participating on behalf of an employer,
31 governmental entity, or other organization. Any reimbursement for
32 other nonlegislative members is subject to chapter 43.03 RCW.

33 (7) The task force is a class one group under chapter 43.03 RCW.

34 (8) A public comment period must be provided at every meeting of
35 the task force.

36 (9) The task force shall submit one or more reports on
37 recommended policies that will facilitate the development of a
38 cannabis social equity program in Washington to the governor, the
39 board, and the appropriate committees of the legislature. The task
40 force is encouraged to submit individual recommendations, as soon as

1 possible, to facilitate the board's early work to implement the
2 recommendations. The final recommendations must be submitted by
3 December 9, 2022. The recommendations must include:

4 (a) Factors the board must consider in distributing the licenses
5 currently available from cannabis retailer licenses that have been
6 subject to forfeiture, revocation, or cancellation by the board, or
7 cannabis retailer licenses that were not previously issued by the
8 board but could have been issued without exceeding the limit on the
9 statewide number of cannabis retailer licenses established by the
10 board before January 1, 2020;

11 (b) Whether any additional cannabis producer, processor, or
12 retailer licenses should be issued beyond the total number of
13 licenses that have been issued as of June 11, 2020. For purposes of
14 determining the total number of licenses issued as of June 11, 2020,
15 the total number includes licenses that have been forfeited, revoked,
16 or canceled;

17 (c) The social equity impact of altering residential cannabis
18 agriculture regulations;

19 (d) The social equity impact of shifting primary regulation of
20 cannabis production from the board to the department of agriculture,
21 including potential impacts to the employment rights of workers;

22 (e) The social equity impact of removing nonviolent cannabis-
23 related felonies and misdemeanors from the existing point system used
24 to determine if a person qualifies for obtaining or renewing a
25 cannabis license;

26 (f) Whether to create workforce training opportunities for
27 underserved communities to increase employment opportunities in the
28 cannabis industry;

29 (g) The social equity impact of creating new cannabis license
30 types; and

31 (h) Recommendations for the cannabis social equity technical
32 assistance grant program created under RCW 43.330.540.

33 (10) The board may adopt rules to implement the recommendations
34 of the task force. However, any recommendation to increase the number
35 of retail outlets above the current statewide limit of retail
36 outlets, established by the board before January 1, 2020, must be
37 approved by the legislature.

38 ~~(11) ((For the purposes of this section, "cannabis" has the~~
39 ~~meaning provided for "marijuana" under this chapter.~~

40 ~~(12))~~) This section expires June 30, 2023.

1 **Sec. 62.** RCW 69.50.339 and 2013 c 3 s 8 are each amended to read
2 as follows:

3 (1) If the (~~state liquor control~~) board approves, a license to
4 produce, process, or sell (~~marijuana~~) cannabis may be transferred,
5 without charge, to the surviving spouse or domestic partner of a
6 deceased licensee if the license was issued in the names of one or
7 both of the parties. For the purpose of considering the
8 qualifications of the surviving party to receive a (~~marijuana~~)
9 cannabis producer's, (~~marijuana~~) cannabis processor's, or
10 (~~marijuana~~) cannabis retailer's license, the (~~state liquor~~
11 ~~control~~) board may require a criminal history record information
12 check. The (~~state liquor control~~) board may submit the criminal
13 history record information check to the Washington state patrol and
14 to the identification division of the federal bureau of investigation
15 in order that these agencies may search their records for prior
16 arrests and convictions of the individual or individuals who filled
17 out the forms. The (~~state liquor control~~) board shall require
18 fingerprinting of any applicant whose criminal history record
19 information check is submitted to the federal bureau of
20 investigation.

21 (2) The proposed sale of more than ten percent of the outstanding
22 or issued stock of a corporation licensed under chapter 3, Laws of
23 2013, or any proposed change in the officers of such a corporation,
24 must be reported to the (~~state liquor control~~) board, and (~~state~~
25 ~~liquor control~~) board approval must be obtained before the changes
26 are made. A fee of seventy-five dollars will be charged for the
27 processing of the change of stock ownership or corporate officers.

28 **Sec. 63.** RCW 69.50.342 and 2020 c 133 s 3 are each amended to
29 read as follows:

30 (1) For the purpose of carrying into effect the provisions of
31 chapter 3, Laws of 2013 according to their true intent or of
32 supplying any deficiency therein, the board may adopt rules not
33 inconsistent with the spirit of chapter 3, Laws of 2013 as are deemed
34 necessary or advisable. Without limiting the generality of the
35 preceding sentence, the board is empowered to adopt rules regarding
36 the following:

37 (a) The equipment and management of retail outlets and premises
38 where (~~marijuana~~) cannabis is produced or processed, and inspection

1 of the retail outlets and premises where (~~marijuana~~) cannabis is
2 produced or processed;

3 (b) The books and records to be created and maintained by
4 licensees, the reports to be made thereon to the board, and
5 inspection of the books and records;

6 (c) Methods of producing, processing, and packaging (~~marijuana~~)
7 cannabis, useable (~~marijuana, marijuana~~) cannabis, cannabis
8 concentrates, and (~~marijuana-infused~~) cannabis-infused products;
9 conditions of sanitation; safe handling requirements; approved
10 pesticides and pesticide testing requirements; and standards of
11 ingredients, quality, and identity of (~~marijuana~~) cannabis, useable
12 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
13 (~~marijuana-infused~~) cannabis-infused products produced, processed,
14 packaged, or sold by licensees;

15 (d) Security requirements for retail outlets and premises where
16 (~~marijuana~~) cannabis is produced or processed, and safety protocols
17 for licensees and their employees;

18 (e) Screening, hiring, training, and supervising employees of
19 licensees;

20 (f) Retail outlet locations and hours of operation;

21 (g) Labeling requirements and restrictions on advertisement of
22 (~~marijuana~~) cannabis, useable (~~marijuana, marijuana~~) cannabis,
23 cannabis concentrates, cannabis health and beauty aids, and
24 (~~marijuana-infused~~) cannabis-infused products for sale in retail
25 outlets;

26 (h) Forms to be used for purposes of this chapter and chapter
27 69.51A RCW or the rules adopted to implement and enforce these
28 chapters, the terms and conditions to be contained in licenses issued
29 under this chapter and chapter 69.51A RCW, and the qualifications for
30 receiving a license issued under this chapter and chapter 69.51A RCW,
31 including a criminal history record information check. The board may
32 submit any criminal history record information check to the
33 Washington state patrol and to the identification division of the
34 federal bureau of investigation in order that these agencies may
35 search their records for prior arrests and convictions of the
36 individual or individuals who filled out the forms. The board must
37 require fingerprinting of any applicant whose criminal history record
38 information check is submitted to the federal bureau of
39 investigation;

1 (i) Application, reinstatement, and renewal fees for licenses
2 issued under this chapter and chapter 69.51A RCW, and fees for
3 anything done or permitted to be done under the rules adopted to
4 implement and enforce this chapter and chapter 69.51A RCW;

5 (j) The manner of giving and serving notices required by this
6 chapter and chapter 69.51A RCW or rules adopted to implement or
7 enforce these chapters;

8 (k) Times and periods when, and the manner, methods, and means by
9 which, licensees transport and deliver (~~(marijuana, marijuana)~~)
10 cannabis, cannabis concentrates, useable (~~(marijuana)~~) cannabis, and
11 (~~(marijuana-infused)~~) cannabis-infused products within the state;

12 (l) Identification, seizure, confiscation, destruction, or
13 donation to law enforcement for training purposes of all (~~(marijuana,~~
14 ~~marijuana)~~) cannabis, cannabis concentrates, useable (~~(marijuana)~~)
15 cannabis, and (~~(marijuana-infused)~~) cannabis-infused products
16 produced, processed, sold, or offered for sale within this state
17 which do not conform in all respects to the standards prescribed by
18 this chapter or chapter 69.51A RCW or the rules adopted to implement
19 and enforce these chapters;

20 (m) The prohibition of any type of device used in conjunction
21 with a (~~(marijuana)~~) cannabis vapor product and the prohibition of
22 the use of any type of additive, solvent, ingredient, or compound in
23 the production and processing of (~~(marijuana)~~) cannabis products,
24 including (~~(marijuana)~~) cannabis vapor products, when the board
25 determines, following consultation with the department of health or
26 any other authority the board deems appropriate, that the device,
27 additive, solvent, ingredient, or compound may pose a risk to public
28 health or youth access; and

29 (n) Requirements for processors to submit under oath to the
30 department of health a complete list of all constituent substances
31 and the amount and sources thereof in each (~~(marijuana)~~) cannabis
32 vapor product, including all additives, thickening agents,
33 preservatives, compounds, and any other substance used in the
34 production and processing of each (~~(marijuana)~~) cannabis vapor
35 product.

36 (2) Rules adopted on retail outlets holding medical (~~(marijuana)~~)
37 cannabis endorsements must be adopted in coordination and
38 consultation with the department.

39 (3) The board must adopt rules to perfect and expand existing
40 programs for compliance education for licensed (~~(marijuana)~~) cannabis

1 businesses and their employees. The rules must include a voluntary
2 compliance program created in consultation with licensed
3 ~~((marijuana))~~ cannabis businesses and their employees. The voluntary
4 compliance program must include recommendations on abating violations
5 of this chapter and rules adopted under this chapter.

6 **Sec. 64.** RCW 69.50.345 and 2019 c 393 s 2 are each amended to
7 read as follows:

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

11 (1) Licensing of ~~((marijuana))~~ cannabis producers, ~~((marijuana))~~
12 cannabis processors, and ~~((marijuana))~~ cannabis retailers, including
13 prescribing forms and establishing application, reinstatement, and
14 renewal fees.

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

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

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

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

15 (a) Population distribution;

16 (b) Security and safety issues;

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

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

33 (3) Determining the maximum quantity of ((~~marijuana a marijuana~~))
34 cannabis a cannabis producer may have on the premises of a licensed
35 location at any time without violating Washington state law;

36 (4) Determining the maximum quantities of ((~~marijuana,~~
37 ~~marijuana~~)) cannabis, cannabis concentrates, useable ((~~marijuana,~~—and
38 ~~marijuana-infused~~)) cannabis, and cannabis-infused products a
39 ((~~marijuana~~)) cannabis processor may have on the premises of a
40 licensed location at any time without violating Washington state law;

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

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

8 (a) Security and safety issues;

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

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

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

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

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

34 (a) Federal laws relating to (~~marijuana~~) cannabis that are
35 applicable within Washington state;

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

38 (c) The inclusion of medically and scientifically accurate
39 information about the health and safety risks posed by (~~marijuana~~)
40 cannabis use in the advertising; and

1 (d) Ensuring that retail outlets with medical ((~~marijuana~~))
2 cannabis endorsements may advertise themselves as medical retail
3 outlets;

4 (10) Specifying and regulating the time and periods when, and the
5 manner, methods, and means by which, licensees shall transport and
6 deliver ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates,
7 useable ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-
8 infused products within the state;

9 (11) In consultation with the department and the department of
10 agriculture, establishing accreditation requirements for testing
11 laboratories used by licensees to demonstrate compliance with
12 standards adopted by the ((~~state liquor and cannabis~~)) board, and
13 prescribing methods of producing, processing, and packaging
14 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, useable
15 ((~~marijuana, and marijuana-infused~~)) cannabis, and cannabis-infused
16 products; conditions of sanitation; and standards of ingredients,
17 quality, and identity of ((~~marijuana, marijuana~~)) cannabis, cannabis
18 concentrates, useable ((~~marijuana, and marijuana-infused~~)) cannabis,
19 and cannabis-infused products produced, processed, packaged, or sold
20 by licensees;

21 (12) Specifying procedures for identifying, seizing,
22 confiscating, destroying, and donating to law enforcement for
23 training purposes all ((~~marijuana, marijuana~~)) cannabis, cannabis
24 concentrates, useable ((~~marijuana, and marijuana-infused~~)) cannabis,
25 and cannabis-infused products produced, processed, packaged, labeled,
26 or offered for sale in this state that do not conform in all respects
27 to the standards prescribed by this chapter or the rules of the
28 ((~~state liquor and cannabis~~)) board.

29 **Sec. 65.** RCW 69.50.345 and 2019 c 393 s 2 and 2019 c 277 s 6 are
30 each reenacted and amended to read as follows:

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

34 (1) Licensing of ((~~marijuana~~)) cannabis producers, ((~~marijuana~~))
35 cannabis processors, and ((~~marijuana~~)) cannabis retailers, including
36 prescribing forms and establishing application, reinstatement, and
37 renewal fees.

38 (a) Application forms for ((~~marijuana~~)) cannabis producers must
39 request the applicant to state whether the applicant intends to

1 produce ((~~marijuana~~)) cannabis for sale by ((~~marijuana~~)) cannabis
2 retailers holding medical ((~~marijuana~~)) cannabis endorsements and the
3 amount of or percentage of canopy the applicant intends to commit to
4 growing plants determined by the department under RCW 69.50.375 to be
5 of a THC concentration, CBD concentration, or THC to CBD ratio
6 appropriate for ((~~marijuana~~)) cannabis concentrates, useable
7 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
8 products sold to qualifying patients.

9 (b) The ((~~state liquor and cannabis~~)) board must reconsider and
10 increase limits on the amount of square feet permitted to be in
11 production on July 24, 2015, and increase the percentage of
12 production space for those ((~~marijuana~~)) cannabis producers who
13 intend to grow plants for ((~~marijuana~~)) cannabis retailers holding
14 medical ((~~marijuana~~)) cannabis endorsements if the ((~~marijuana~~))
15 cannabis producer designates the increased production space to plants
16 determined by the department under RCW 69.50.375 to be of a THC
17 concentration, CBD concentration, or THC to CBD ratio appropriate for
18 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
19 ~~marijuana-infused~~)) cannabis, or cannabis-infused products to be sold
20 to qualifying patients. If current ((~~marijuana~~)) cannabis producers
21 do not use all the increased production space, the ((~~state liquor and~~
22 ~~cannabis~~)) board may reopen the license period for new ((~~marijuana~~))
23 cannabis producer license applicants but only to those ((~~marijuana~~))
24 cannabis producers who agree to grow plants for ((~~marijuana~~))
25 cannabis retailers holding medical ((~~marijuana~~)) cannabis
26 endorsements. Priority in licensing must be given to ((~~marijuana~~))
27 cannabis producer license applicants who have an application pending
28 on July 24, 2015, but who are not yet licensed and then to new
29 ((~~marijuana~~)) cannabis producer license applicants. After January 1,
30 2017, any reconsideration of the limits on the amount of square feet
31 permitted to be in production to meet the medical needs of qualifying
32 patients must consider information contained in the medical
33 ((~~marijuana~~)) cannabis authorization database established in RCW
34 69.51A.230;

35 (2) Determining, in consultation with the office of financial
36 management, the maximum number of retail outlets that may be licensed
37 in each county, taking into consideration:

38 (a) Population distribution;

39 (b) Security and safety issues;

1 (c) The provision of adequate access to licensed sources of
2 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana~~, ~~and~~
3 ~~marijuana-infused~~)) cannabis, and cannabis-infused products to
4 discourage purchases from the illegal market; and

5 (d) The number of retail outlets holding medical ((~~marijuana~~))
6 cannabis endorsements necessary to meet the medical needs of
7 qualifying patients. The ((~~state liquor and cannabis~~)) board must
8 reconsider and increase the maximum number of retail outlets it
9 established before July 24, 2015, and allow for a new license
10 application period and a greater number of retail outlets to be
11 permitted in order to accommodate the medical needs of qualifying
12 patients and designated providers. After January 1, 2017, any
13 reconsideration of the maximum number of retail outlets needed to
14 meet the medical needs of qualifying patients must consider
15 information contained in the medical ((~~marijuana~~)) cannabis
16 authorization database established in RCW 69.51A.230;

17 (3) Determining the maximum quantity of ((~~marijuana a marijuana~~))
18 cannabis a cannabis producer may have on the premises of a licensed
19 location at any time without violating Washington state law;

20 (4) Determining the maximum quantities of ((~~marijuana,~~
21 ~~marijuana~~)) cannabis, cannabis concentrates, useable ((~~marijuana,~~ ~~and~~
22 ~~marijuana-infused~~)) cannabis, and cannabis-infused products a
23 ((~~marijuana~~)) cannabis processor may have on the premises of a
24 licensed location at any time without violating Washington state law;

25 (5) Determining the maximum quantities of ((~~marijuana~~)) cannabis
26 concentrates, useable ((~~marijuana,~~ ~~and~~ ~~marijuana-infused~~)) cannabis,
27 and cannabis-infused products a ((~~marijuana~~)) cannabis retailer may
28 have on the premises of a retail outlet at any time without violating
29 Washington state law;

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

32 (a) Security and safety issues;

33 (b) The provision of adequate access to licensed sources of
34 ((~~marijuana,~~ ~~marijuana~~)) cannabis, cannabis concentrates, useable
35 ((~~marijuana,~~ ~~and~~ ~~marijuana-infused~~)) cannabis, and cannabis-infused
36 products to discourage purchases from the illegal market; and

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

1 (7) Determining the nature, form, and capacity of all containers
2 to be used by licensees to contain (~~(marijuana, marijuana)~~) cannabis,
3 cannabis concentrates, useable (~~(marijuana, and marijuana-infused)~~)
4 cannabis, and cannabis-infused products, and their labeling
5 requirements;

6 (8) In consultation with the department of agriculture and the
7 department, establishing classes of (~~(marijuana, marijuana)~~)
8 cannabis, cannabis concentrates, useable (~~(marijuana, and marijuana-~~
9 ~~infused)~~) cannabis, and cannabis-infused products according to grade,
10 condition, cannabinoid profile, THC concentration, CBD concentration,
11 or other qualitative measurements deemed appropriate by the (~~(state~~
12 ~~liquor and cannabis)~~) board;

13 (9) Establishing reasonable time, place, and manner restrictions
14 and requirements regarding advertising of (~~(marijuana, marijuana)~~)
15 cannabis, cannabis concentrates, useable (~~(marijuana, and marijuana-~~
16 ~~infused)~~) cannabis, and cannabis-infused products that are not
17 inconsistent with the provisions of this chapter, taking into
18 consideration:

19 (a) Federal laws relating to (~~(marijuana)~~) cannabis that are
20 applicable within Washington state;

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

23 (c) The inclusion of medically and scientifically accurate
24 information about the health and safety risks posed by (~~(marijuana)~~)
25 cannabis use in the advertising; and

26 (d) Ensuring that retail outlets with medical (~~(marijuana)~~)
27 cannabis endorsements may advertise themselves as medical retail
28 outlets;

29 (10) Specifying and regulating the time and periods when, and the
30 manner, methods, and means by which, licensees shall transport and
31 deliver (~~(marijuana, marijuana)~~) cannabis, cannabis concentrates,
32 useable (~~(marijuana, and marijuana-infused)~~) cannabis, and cannabis-
33 infused products within the state;

34 (11) In consultation with the department and the department of
35 agriculture, prescribing methods of producing, processing, and
36 packaging (~~(marijuana, marijuana)~~) cannabis, cannabis concentrates,
37 useable (~~(marijuana, and marijuana-infused)~~) cannabis, and cannabis-
38 infused products; conditions of sanitation; and standards of
39 ingredients, quality, and identity of (~~(marijuana, marijuana)~~)
40 cannabis, cannabis concentrates, useable (~~(marijuana, and marijuana-~~

1 ~~infused~~) cannabis, and cannabis-infused products produced,
2 processed, packaged, or sold by licensees;

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

11 **Sec. 66.** RCW 69.50.346 and 2019 c 393 s 3 are each amended to
12 read as follows:

13 (1) The label on a (~~marijuana~~) cannabis product container,
14 including (~~marijuana~~) cannabis concentrates, useable (~~marijuana,~~
15 ~~or marijuana-infused~~) cannabis, or cannabis-infused products, sold
16 at retail must include:

17 (a) The business or trade name and Washington state unified
18 business identifier number of the (~~marijuana~~) cannabis producer and
19 processor;

20 (b) The lot numbers of the product;

21 (c) The THC concentration and CBD concentration of the product;

22 (d) Medically and scientifically accurate and reliable
23 information about the health and safety risks posed by (~~marijuana~~)
24 cannabis use;

25 (e) Language required by RCW 69.04.480; and

26 (f) A disclaimer, subject to the following conditions:

27 (i) Where there is one statement made under subsection (2) of
28 this section, or as described in subsection (5)(b) of this section,
29 the disclaimer must state "This statement has not been evaluated by
30 the State of Washington. This product is not intended to diagnose,
31 treat, cure, or prevent any disease."; and

32 (ii) Where there is more than one statement made under subsection
33 (2) of this section, or as described in subsection (5)(b) of this
34 section, the disclaimer must state "These statements have not been
35 evaluated by the State of Washington. This product is not intended to
36 diagnose, treat, cure, or prevent any disease."

37 (2)(a) For (~~marijuana~~) cannabis products that have been
38 identified by the department in rules adopted under RCW 69.50.375(4)
39 in chapter 246-70 WAC as being a compliant (~~marijuana~~) cannabis

1 product, the product label and labeling may include a structure or
2 function claim describing the intended role of a product to maintain
3 the structure or any function of the body, or characterize the
4 documented mechanism by which the product acts to maintain such
5 structure or function, provided that the claim is truthful and not
6 misleading.

7 (b) A statement made under (a) of this subsection may not claim
8 to diagnose, mitigate, treat, cure, or prevent any disease.

9 (3) The labels and labeling may not be:

10 (a) False or misleading; or

11 (b) Especially appealing to children.

12 (4) The label is not required to include the business or trade
13 name or Washington state unified business identifier number of, or
14 any information about, the ((~~marijuana~~)) cannabis retailer selling
15 the ((~~marijuana~~)) cannabis product.

16 (5) A ((~~marijuana~~)) cannabis product is not in violation of any
17 Washington state law or rule of the ((~~Washington state liquor and~~
18 ~~cannabis~~)) board solely because its label or labeling contains:

19 (a) Directions or recommended conditions of use; or

20 (b) A warning describing the psychoactive effects of the
21 ((~~marijuana~~)) cannabis product, provided that the warning is truthful
22 and not misleading.

23 (6) This section does not create any civil liability on the part
24 of the state, the ((~~liquor and cannabis~~)) board, any other state
25 agency, officer, employee, or agent based on a ((~~marijuana~~)) cannabis
26 licensee's description of a structure or function claim or the
27 product's intended role under subsection (2) of this section.

28 (7) Nothing in this section shall apply to a drug, as defined in
29 RCW 69.50.101, or a pharmaceutical product approved by the United
30 States food and drug administration.

31 **Sec. 67.** RCW 69.50.348 and 2019 c 277 s 1 are each amended to
32 read as follows:

33 (1) On a schedule determined by the ((~~state liquor and cannabis~~))
34 board, every licensed ((~~marijuana~~)) cannabis producer and processor
35 must submit representative samples of ((~~marijuana~~)) cannabis, useable
36 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
37 products produced or processed by the licensee to an independent,
38 third-party testing laboratory meeting the accreditation requirements
39 established by the ((~~state liquor and cannabis~~)) board, for

1 inspection and testing to certify compliance with quality assurance
2 and product standards adopted by the ((~~state liquor and cannabis~~))
3 board under RCW 69.50.342. Any sample remaining after testing shall
4 be destroyed by the laboratory or returned to the licensee submitting
5 the sample.

6 (2) Licensees must submit the results of inspection and testing
7 for quality assurance and product standards required under subsection
8 (1) of this section to the ((~~state liquor and cannabis~~)) board on a
9 form developed by the ((~~state liquor and cannabis~~)) board.

10 (3) If a representative sample inspected and tested under this
11 section does not meet the applicable quality assurance and product
12 standards established by the ((~~state liquor and cannabis~~)) board, the
13 entire lot from which the sample was taken must be destroyed.

14 (4) The ((~~state liquor and cannabis~~)) board may adopt rules
15 necessary to implement this section.

16 **Sec. 68.** RCW 69.50.348 and 2019 c 277 s 2 are each amended to
17 read as follows:

18 (1) On a schedule determined by the ((~~state liquor and cannabis~~))
19 board, every licensed ((~~marijuana~~)) cannabis producer and processor
20 must submit representative samples of ((~~marijuana~~)) cannabis, useable
21 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
22 products produced or processed by the licensee to an independent,
23 third-party testing laboratory meeting the accreditation requirements
24 established by the state department of ecology, for inspection and
25 testing to certify compliance with quality assurance and product
26 standards adopted by the ((~~state liquor and cannabis~~)) board under
27 RCW 69.50.342. Any sample remaining after testing shall be destroyed
28 by the laboratory or returned to the licensee submitting the sample.

29 (2) Licensees must submit the results of inspection and testing
30 for quality assurance and product standards required under RCW
31 69.50.342 to the ((~~state liquor and cannabis~~)) board on a form
32 developed by the ((~~state liquor and cannabis~~)) board.

33 (3) If a representative sample inspected and tested under this
34 section does not meet the applicable quality assurance and product
35 standards established by the ((~~state liquor and cannabis~~)) board, the
36 entire lot from which the sample was taken must be destroyed.

37 (4)(a) The department of ecology may determine, assess, and
38 collect annual fees sufficient to cover the direct and indirect costs
39 of implementing a state ((~~marijuana~~)) cannabis product testing

1 laboratory accreditation program, except for the initial program
2 development costs. The department of ecology must develop a fee
3 schedule allocating the costs of the accreditation program among its
4 accredited (~~(marijuana)~~) cannabis product testing laboratories. The
5 department of ecology may establish a payment schedule requiring
6 periodic installments of the annual fee. The fee schedule must be
7 established in amounts to fully cover, but not exceed, the
8 administrative and oversight costs. The department of ecology must
9 review and update its fee schedule biennially. The costs of
10 (~~(marijuana)~~) cannabis product testing laboratory accreditation are
11 those incurred by the department of ecology in administering and
12 enforcing the accreditation program. The costs may include, but are
13 not limited to, the costs incurred in undertaking the following
14 accreditation functions:

- 15 (i) Evaluating the protocols and procedures used by a laboratory;
- 16 (ii) Performing on-site audits;
- 17 (iii) Evaluating participation and successful completion of
18 proficiency testing;
- 19 (iv) Determining the capability of a laboratory to produce
20 accurate and reliable test results; and
- 21 (v) Such other accreditation activities as the department of
22 ecology deems appropriate.

23 (b) The state (~~(marijuana)~~) cannabis product testing laboratory
24 accreditation program initial development costs must be fully paid
25 from the dedicated (~~(marijuana)~~) cannabis account created in RCW
26 69.50.530.

27 (5) The department of ecology and the (~~(liquor and cannabis)~~)
28 board must act cooperatively to ensure effective implementation and
29 administration of this section.

30 (6) All fees collected under this section must be deposited in
31 the dedicated (~~(marijuana)~~) cannabis account created in RCW
32 69.50.530.

33 **Sec. 69.** RCW 69.50.351 and 2013 c 3 s 12 are each amended to
34 read as follows:

35 Except as provided by chapter 42.52 RCW, no member of the (~~(state~~
36 ~~liquor control)~~) board and no employee of the (~~(state liquor~~
37 ~~control)~~) board shall have any interest, directly or indirectly, in
38 the producing, processing, or sale of (~~(marijuana)~~) cannabis, useable
39 (~~(marijuana, or marijuana-infused)~~) cannabis, or cannabis-infused

1 products, or derive any profit or remuneration from the sale of
2 ((~~marijuana~~)) cannabis, useable ((~~marijuana, or marijuana-infused~~))
3 cannabis, or cannabis-infused products other than the salary or wages
4 payable to him or her in respect of his or her office or position,
5 and shall receive no gratuity from any person in connection with the
6 business.

7 **Sec. 70.** RCW 69.50.354 and 2015 c 70 s 9 are each amended to
8 read as follows:

9 There may be licensed, in no greater number in each of the
10 counties of the state than as the ((~~state liquor and cannabis~~)) board
11 shall deem advisable, retail outlets established for the purpose of
12 making ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, and~~
13 ~~marijuana-infused~~)) cannabis, and cannabis-infused products available
14 for sale to adults aged twenty-one and over. Retail sale of
15 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, and~~
16 ~~marijuana-infused~~)) cannabis, and cannabis-infused products in
17 accordance with the provisions of this chapter and the rules adopted
18 to implement and enforce it, by a validly licensed ((~~marijuana~~))
19 cannabis retailer or retail outlet employee, shall not be a criminal
20 or civil offense under Washington state law.

21 **Sec. 71.** RCW 69.50.357 and 2017 c 317 s 13 and 2017 c 131 s 1
22 are each reenacted and amended to read as follows:

23 (1)(a) Retail outlets may not sell products or services other
24 than ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana,~~
25 ~~marijuana-infused~~)) cannabis, cannabis-infused products, or
26 paraphernalia intended for the storage or use of ((~~marijuana~~))
27 cannabis concentrates, useable ((~~marijuana, or marijuana-infused~~))
28 cannabis, or cannabis-infused products.

29 (b)(i) Retail outlets may receive lockable boxes, intended for
30 the secure storage of ((~~marijuana~~)) cannabis products and
31 paraphernalia, and related literature as a donation from another
32 person or entity, that is not a ((~~marijuana~~)) cannabis producer,
33 processor, or retailer, for donation to their customers.

34 (ii) Retail outlets may donate the lockable boxes and provide the
35 related literature to any person eligible to purchase ((~~marijuana~~))
36 cannabis products under subsection (2) of this section. Retail
37 outlets may not use the donation of lockable boxes or literature as

1 an incentive or as a condition of a recipient's purchase of a
2 (~~marijuana~~) cannabis product or paraphernalia.

3 (iii) Retail outlets may also purchase and sell lockable boxes,
4 provided that the sales price is not less than the cost of
5 acquisition.

6 (2) Licensed (~~marijuana~~) cannabis retailers may not employ
7 persons under twenty-one years of age or allow persons under twenty-
8 one years of age to enter or remain on the premises of a retail
9 outlet. However, qualifying patients between eighteen and twenty-one
10 years of age with a recognition card may enter and remain on the
11 premises of a retail outlet holding a medical (~~marijuana~~) cannabis
12 endorsement and may purchase products for their personal medical use.
13 Qualifying patients who are under the age of eighteen with a
14 recognition card and who accompany their designated providers may
15 enter and remain on the premises of a retail outlet holding a medical
16 (~~marijuana~~) cannabis endorsement, but may not purchase products for
17 their personal medical use.

18 (3) (a) Licensed (~~marijuana~~) cannabis retailers must ensure that
19 all employees are trained on the rules adopted to implement this
20 chapter, identification of persons under the age of twenty-one, and
21 other requirements adopted by the (~~state liquor and cannabis~~) board
22 to ensure that persons under the age of twenty-one are not permitted
23 to enter or remain on the premises of a retail outlet.

24 (b) Licensed (~~marijuana~~) cannabis retailers with a medical
25 (~~marijuana~~) cannabis endorsement must ensure that all employees are
26 trained on the subjects required by (a) of this subsection as well as
27 identification of authorizations and recognition cards. Employees
28 must also be trained to permit qualifying patients who hold
29 recognition cards and are between the ages of eighteen and twenty-one
30 to enter the premises and purchase (~~marijuana~~) cannabis for their
31 personal medical use and to permit qualifying patients who are under
32 the age of eighteen with a recognition card to enter the premises if
33 accompanied by their designated providers.

34 (4) Except for the purposes of disposal as authorized by the
35 (~~state liquor and cannabis~~) board, no licensed (~~marijuana~~)
36 cannabis retailer or employee of a retail outlet may open or consume,
37 or allow to be opened or consumed, any (~~marijuana~~) cannabis
38 concentrates, useable (~~marijuana, or marijuana-infused~~) cannabis,
39 or cannabis-infused product on the outlet premises.

1 (5) The (~~state liquor and cannabis~~) board must fine a licensee
2 one thousand dollars for each violation of any subsection of this
3 section. Fines collected under this section must be deposited into
4 the dedicated (~~marijuana~~) cannabis account created under RCW
5 69.50.530.

6 **Sec. 72.** RCW 69.50.360 and 2015 c 207 s 6 and 2015 c 70 s 13 are
7 each reenacted and amended to read as follows:

8 The following acts, when performed by a validly licensed
9 (~~marijuana~~) cannabis retailer or employee of a validly licensed
10 retail outlet in compliance with rules adopted by the (~~state liquor
11 and cannabis~~) board to implement and enforce chapter 3, Laws of
12 2013, do not constitute criminal or civil offenses under Washington
13 state law:

14 (1) Purchase and receipt of (~~marijuana~~) cannabis concentrates,
15 useable (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-
16 infused products that have been properly packaged and labeled from a
17 (~~marijuana~~) cannabis processor validly licensed under this chapter;

18 (2) Possession of quantities of (~~marijuana~~) cannabis
19 concentrates, useable (~~marijuana, or marijuana-infused~~) cannabis,
20 or cannabis-infused products that do not exceed the maximum amounts
21 established by the (~~state liquor and cannabis~~) board under RCW
22 69.50.345(5);

23 (3) Delivery, distribution, and sale, on the premises of the
24 retail outlet, of any combination of the following amounts of
25 (~~marijuana~~) cannabis concentrates, useable (~~marijuana, or
26 marijuana-infused~~) cannabis, or cannabis-infused product to any
27 person twenty-one years of age or older:

28 (a) One ounce of useable (~~marijuana~~) cannabis;

29 (b) Sixteen ounces of (~~marijuana-infused~~) cannabis-infused
30 product in solid form;

31 (c) Seventy-two ounces of (~~marijuana-infused~~) cannabis-infused
32 product in liquid form; or

33 (d) Seven grams of (~~marijuana~~) cannabis concentrate; and

34 (4) Purchase and receipt of (~~marijuana~~) cannabis concentrates,
35 useable (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-
36 infused products that have been properly packaged and labeled from a
37 federally recognized Indian tribe as permitted under an agreement
38 between the state and the tribe entered into under RCW 43.06.490.

1 **Sec. 73.** RCW 69.50.363 and 2015 c 207 s 7 are each amended to
2 read as follows:

3 The following acts, when performed by a validly licensed
4 ((~~marijuana~~)) cannabis processor or employee of a validly licensed
5 ((~~marijuana~~)) cannabis processor in compliance with rules adopted by
6 the ((~~state liquor control~~)) board to implement and enforce chapter
7 3, Laws of 2013, do not constitute criminal or civil offenses under
8 Washington state law:

9 (1) Purchase and receipt of ((~~marijuana~~)) cannabis that has been
10 properly packaged and labeled from a ((~~marijuana~~)) cannabis producer
11 validly licensed under chapter 3, Laws of 2013;

12 (2) Possession, processing, packaging, and labeling of quantities
13 of ((~~marijuana~~)) cannabis, useable ((~~marijuana, and marijuana-~~
14 ~~infused~~)) cannabis, and cannabis-infused products that do not exceed
15 the maximum amounts established by the ((~~state liquor control~~)) board
16 under RCW 69.50.345(4);

17 (3) Delivery, distribution, and sale of useable ((~~marijuana or~~
18 ~~marijuana-infused~~)) cannabis or cannabis-infused products to a
19 ((~~marijuana~~)) cannabis retailer validly licensed under chapter 3,
20 Laws of 2013; and

21 (4) Delivery, distribution, and sale of useable ((~~marijuana,~~
22 ~~marijuana~~)) cannabis, cannabis concentrates, or ((~~marijuana-infused~~))
23 cannabis-infused products to a federally recognized Indian tribe as
24 permitted under an agreement between the state and the tribe entered
25 into under RCW 43.06.490.

26 **Sec. 74.** RCW 69.50.366 and 2017 c 317 s 6 are each amended to
27 read as follows:

28 The following acts, when performed by a validly licensed
29 ((~~marijuana~~)) cannabis producer or employee of a validly licensed
30 ((~~marijuana~~)) cannabis producer in compliance with rules adopted by
31 the ((~~state liquor and cannabis~~)) board to implement and enforce this
32 chapter, do not constitute criminal or civil offenses under
33 Washington state law:

34 (1) Production or possession of quantities of ((~~marijuana~~))
35 cannabis that do not exceed the maximum amounts established by the
36 ((~~state liquor and cannabis~~)) board under RCW 69.50.345(3);

37 (2) Delivery, distribution, and sale of ((~~marijuana~~)) cannabis to
38 a ((~~marijuana~~)) cannabis processor or another ((~~marijuana~~)) cannabis
39 producer validly licensed under this chapter;

1 (3) Delivery, distribution, and sale of immature plants or clones
2 and ((~~marijuana~~)) cannabis seeds to a licensed ((~~marijuana~~)) cannabis
3 researcher, and to receive or purchase immature plants or clones and
4 seeds from a licensed ((~~marijuana~~)) cannabis researcher; and

5 (4) Delivery, distribution, and sale of ((~~marijuana~~)) cannabis or
6 useable ((~~marijuana~~)) cannabis to a federally recognized Indian tribe
7 as permitted under an agreement between the state and the tribe
8 entered into under RCW 43.06.490.

9 **Sec. 75.** RCW 69.50.369 and 2017 c 317 s 14 are each amended to
10 read as follows:

11 (1) No licensed ((~~marijuana~~)) cannabis producer, processor,
12 researcher, or retailer may place or maintain, or cause to be placed
13 or maintained, any sign or other advertisement for a ((~~marijuana~~))
14 cannabis business or ((~~marijuana~~)) cannabis product, including
15 useable ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, or
16 ((~~marijuana-infused~~)) cannabis-infused product, in any form or
17 through any medium whatsoever within one thousand feet of the
18 perimeter of a school grounds, playground, recreation center or
19 facility, child care center, public park, or library, or any game
20 arcade admission to which is not restricted to persons aged twenty-
21 one years or older.

22 (2) Except for the use of billboards as authorized under this
23 section, licensed ((~~marijuana~~)) cannabis retailers may not display
24 any signage outside of the licensed premises, other than two signs
25 identifying the retail outlet by the licensee's business or trade
26 name, stating the location of the business, and identifying the
27 nature of the business. Each sign must be no larger than one thousand
28 six hundred square inches and be permanently affixed to a building or
29 other structure. The location and content of the retail ((~~marijuana~~))
30 cannabis signs authorized under this subsection are subject to all
31 other requirements and restrictions established in this section for
32 indoor signs, outdoor signs, and other ((~~marijuana-related~~))
33 cannabis-related advertising methods.

34 (3) A ((~~marijuana~~)) cannabis licensee may not utilize transit
35 advertisements for the purpose of advertising its business or product
36 line. "Transit advertisements" means advertising on or within private
37 or public vehicles and all advertisements placed at, on, or within
38 any bus stop, taxi stand, transportation waiting area, train station,
39 airport, or any similar transit-related location.

1 (4) A ((~~marijuana~~)) cannabis licensee may not engage in
2 advertising or other marketing practice that specifically targets
3 persons residing outside of the state of Washington.

4 (5) All signs, billboards, or other print advertising for
5 ((~~marijuana~~)) cannabis businesses or ((~~marijuana~~)) cannabis products
6 must contain text stating that ((~~marijuana~~)) cannabis products may be
7 purchased or possessed only by persons twenty-one years of age or
8 older.

9 (6) A ((~~marijuana~~)) cannabis licensee may not:

10 (a) Take any action, directly or indirectly, to target youth in
11 the advertising, promotion, or marketing of ((~~marijuana~~—and
12 ~~marijuana~~)) cannabis and cannabis products, or take any action the
13 primary purpose of which is to initiate, maintain, or increase the
14 incidence of youth use of ((~~marijuana~~—or—~~marijuana~~)) cannabis or
15 cannabis products;

16 (b) Use objects such as toys or inflatables, movie or cartoon
17 characters, or any other depiction or image likely to be appealing to
18 youth, where such objects, images, or depictions indicate an intent
19 to cause youth to become interested in the purchase or consumption of
20 ((~~marijuana~~)) cannabis products; or

21 (c) Use or employ a commercial mascot outside of, and in
22 proximity to, a licensed ((~~marijuana~~)) cannabis business. A
23 "commercial mascot" means live human being, animal, or mechanical
24 device used for attracting the attention of motorists and passersby
25 so as to make them aware of ((~~marijuana~~)) cannabis products or the
26 presence of a ((~~marijuana~~)) cannabis business. Commercial mascots
27 include, but are not limited to, inflatable tube displays, persons in
28 costume, or wearing, holding, or spinning a sign with a ((~~marijuana~~—
29 ~~related~~)) cannabis-related commercial message or image, where the
30 intent is to draw attention to a ((~~marijuana~~)) cannabis business or
31 its products.

32 (7) A ((~~marijuana~~)) cannabis licensee that engages in outdoor
33 advertising is subject to the advertising requirements and
34 restrictions set forth in this subsection (7) and elsewhere in this
35 chapter.

36 (a) All outdoor advertising signs, including billboards, are
37 limited to text that identifies the retail outlet by the licensee's
38 business or trade name, states the location of the business, and
39 identifies the type or nature of the business. Such signs may not
40 contain any depictions of ((~~marijuana~~)) cannabis plants,

1 ((~~marijuana~~)) cannabis products, or images that might be appealing to
2 children. The ((~~state liquor and cannabis~~)) board is granted rule-
3 making authority to regulate the text and images that are permissible
4 on outdoor advertising. Such rule making must be consistent with
5 other administrative rules generally applicable to the advertising of
6 ((~~marijuana~~)) cannabis businesses and products.

7 (b) Outdoor advertising is prohibited:

8 (i) On signs and placards in arenas, stadiums, shopping malls,
9 fairs that receive state allocations, farmers markets, and video game
10 arcades, whether any of the foregoing are open air or enclosed, but
11 not including any such sign or placard located in an adult only
12 facility; and

13 (ii) Billboards that are visible from any street, road, highway,
14 right-of-way, or public parking area are prohibited, except as
15 provided in (c) of this subsection.

16 (c) Licensed retail outlets may use a billboard or outdoor sign
17 solely for the purpose of identifying the name of the business, the
18 nature of the business, and providing the public with directional
19 information to the licensed retail outlet. Billboard advertising is
20 subject to the same requirements and restrictions as set forth in (a)
21 of this subsection.

22 (d) Advertising signs within the premises of a retail
23 ((~~marijuana~~)) cannabis business outlet that are visible to the public
24 from outside the premises must meet the signage regulations and
25 requirements applicable to outdoor signs as set forth in this
26 section.

27 (e) The restrictions and regulations applicable to outdoor
28 advertising under this section are not applicable to:

29 (i) An advertisement inside a licensed retail establishment that
30 sells ((~~marijuana~~)) cannabis products that is not placed on the
31 inside surface of a window facing outward; or

32 (ii) An outdoor advertisement at the site of an event to be held
33 at an adult only facility that is placed at such site during the
34 period the facility or enclosed area constitutes an adult only
35 facility, but in no event more than fourteen days before the event,
36 and that does not advertise any ((~~marijuana~~)) cannabis product other
37 than by using a brand name to identify the event.

38 (8) Merchandising within a retail outlet is not advertising for
39 the purposes of this section.

40 (9) This section does not apply to a noncommercial message.

1 (10) (a) The ((~~state liquor and cannabis~~)) board must:

2 (i) Adopt rules implementing this section and specifically
3 including provisions regulating the billboards and outdoor signs
4 authorized under this section; and

5 (ii) Fine a licensee one thousand dollars for each violation of
6 this section until the ((~~state liquor and cannabis~~)) board adopts
7 rules prescribing penalties for violations of this section. The rules
8 must establish escalating penalties including fines and up to
9 suspension or revocation of a ((~~marijuana~~)) cannabis license for
10 subsequent violations.

11 (b) Fines collected under this subsection must be deposited into
12 the dedicated ((~~marijuana~~)) cannabis account created under RCW
13 69.50.530.

14 (11) A city, town, or county may adopt rules of outdoor
15 advertising by licensed ((~~marijuana~~)) cannabis retailers that are
16 more restrictive than the advertising restrictions imposed under this
17 chapter. Enforcement of restrictions to advertising by a city, town,
18 or county is the responsibility of the city, town, or county.

19 **Sec. 76.** RCW 69.50.372 and 2017 c 317 s 3 and 2017 c 316 s 3 are
20 each reenacted and amended to read as follows:

21 (1) A ((~~marijuana~~)) cannabis research license is established that
22 permits a licensee to produce, process, and possess ((~~marijuana~~))
23 cannabis for the following limited research purposes:

24 (a) To test chemical potency and composition levels;

25 (b) To conduct clinical investigations of ((~~marijuana-derived~~))
26 cannabis-derived drug products;

27 (c) To conduct research on the efficacy and safety of
28 administering ((~~marijuana~~)) cannabis as part of medical treatment;
29 and

30 (d) To conduct genomic or agricultural research.

31 (2) As part of the application process for a ((~~marijuana~~))
32 cannabis research license, an applicant must submit to the ((~~liquor~~
33 ~~and cannabis~~)) board's designated scientific reviewer a description
34 of the research that is intended to be conducted. The ((~~liquor~~
35 ~~and cannabis~~)) board must select a scientific reviewer to review an
36 applicant's research project and determine that it meets the
37 requirements of subsection (1) of this section, as well as assess the
38 following:

39 (a) Project quality, study design, value, or impact;

1 (b) Whether applicants have the appropriate personnel, expertise,
2 facilities/infrastructure, funding, and human/animal/other federal
3 approvals in place to successfully conduct the project; and

4 (c) Whether the amount of ((~~marijuana~~)) cannabis to be grown by
5 the applicant is consistent with the project's scope and goals.

6 If the scientific reviewer determines that the research project
7 does not meet the requirements of subsection (1) of this section, the
8 application must be denied.

9 (3) A ((~~marijuana~~)) cannabis research licensee may only sell
10 ((~~marijuana~~)) cannabis grown or within its operation to other
11 ((~~marijuana~~)) cannabis research licensees. The ((~~liquor—and~~
12 ~~eannabis~~)) board may revoke a ((~~marijuana~~)) cannabis research license
13 for violations of this subsection.

14 (4) A ((~~marijuana~~)) cannabis research licensee may contract with
15 the University of Washington or Washington State University to
16 perform research in conjunction with the university. All research
17 projects, not including those projects conducted pursuant to a
18 contract entered into under RCW 28B.20.502(3), must be approved by
19 the scientific reviewer and meet the requirements of subsection (1)
20 of this section.

21 (5) In establishing a ((~~marijuana~~)) cannabis research license,
22 the ((~~liquor—and cannab~~is)) board may adopt rules on the following:

23 (a) Application requirements;

24 (b) ((~~Marijuana~~)) Cannabis research license renewal requirements,
25 including whether additional research projects may be added or
26 considered;

27 (c) Conditions for license revocation;

28 (d) Security measures to ensure ((~~marijuana~~)) cannabis is not
29 diverted to purposes other than research;

30 (e) Amount of plants, useable ((~~marijuana, marijuana~~)) cannabis,
31 cannabis concentrates, or ((~~marijuana-infused~~)) cannabis-infused
32 products a licensee may have on its premises;

33 (f) Licensee reporting requirements;

34 (g) Conditions under which ((~~marijuana~~)) cannabis grown by
35 licensed ((~~marijuana~~)) cannabis producers and other product types
36 from licensed ((~~marijuana~~)) cannabis processors may be donated to
37 ((~~marijuana~~)) cannabis research licensees; and

38 (h) Additional requirements deemed necessary by the ((~~liquor—and~~
39 ~~eannabis~~)) board.

1 (6) The production, processing, possession, delivery, donation,
2 and sale of (~~marijuana~~) cannabis, including immature plants or
3 clones and seeds, in accordance with this section, RCW 69.50.366(3),
4 and the rules adopted to implement and enforce this section and RCW
5 69.50.366(3), by a validly licensed (~~marijuana~~) cannabis
6 researcher, shall not be a criminal or civil offense under Washington
7 state law. Every (~~marijuana~~) cannabis research license must be
8 issued in the name of the applicant, must specify the location at
9 which the (~~marijuana~~) cannabis researcher intends to operate, which
10 must be within the state of Washington, and the holder thereof may
11 not allow any other person to use the license.

12 (7) The application fee for a (~~marijuana~~) cannabis research
13 license is two hundred fifty dollars. The annual fee for issuance and
14 renewal of a (~~marijuana~~) cannabis research license is one thousand
15 three hundred dollars. The applicant must pay the cost of the review
16 process directly to the scientific reviewer as designated by the
17 (~~liquor and cannabis~~) board.

18 (8) The scientific reviewer shall review any reports made by
19 (~~marijuana~~) cannabis research licensees under (~~liquor and~~
20 ~~cannabis~~) board rule and provide the (~~liquor and cannabis~~) board
21 with its determination on whether the research project continues to
22 meet research qualifications under this section.

23 (9) For the purposes of this section, "scientific reviewer" means
24 an organization that convenes or contracts with persons who have the
25 training and experience in research practice and research methodology
26 to determine whether a project meets the criteria for a (~~marijuana~~)
27 cannabis research license under this section and to review any
28 reports submitted by (~~marijuana~~) cannabis research licensees under
29 (~~liquor and cannabis~~) board rule. "Scientific reviewers" include,
30 but are not limited to, educational institutions, research
31 institutions, peer review bodies, or such other organizations that
32 are focused on science or research in its day-to-day activities.

33 **Sec. 77.** RCW 69.50.375 and 2015 c 70 s 10 are each amended to
34 read as follows:

35 (1) A medical (~~marijuana~~) cannabis endorsement to a
36 (~~marijuana~~) cannabis retail license is hereby established to permit
37 a (~~marijuana~~) cannabis retailer to sell (~~marijuana~~) cannabis for
38 medical use to qualifying patients and designated providers. This
39 endorsement also permits such retailers to provide (~~marijuana~~)

1 cannabis at no charge, at their discretion, to qualifying patients
2 and designated providers.

3 (2) An applicant may apply for a medical ((~~marijuana~~)) cannabis
4 endorsement concurrently with an application for a ((~~marijuana~~))
5 cannabis retail license.

6 (3) To be issued an endorsement, a ((~~marijuana~~)) cannabis
7 retailer must:

8 (a) Not authorize the medical use of ((~~marijuana~~)) cannabis for
9 qualifying patients at the retail outlet or permit health care
10 professionals to authorize the medical use of ((~~marijuana~~)) cannabis
11 for qualifying patients at the retail outlet;

12 (b) Carry ((~~marijuana~~)) cannabis concentrates and ((~~marijuana-~~
13 ~~infused~~)) cannabis-infused products identified by the department
14 under subsection (4) of this section;

15 (c) Not use labels or market ((~~marijuana~~)) cannabis concentrates,
16 useable ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-
17 infused products in a way that make them intentionally attractive to
18 minors;

19 (d) Demonstrate the ability to enter qualifying patients and
20 designated providers in the medical ((~~marijuana~~)) cannabis
21 authorization database established in RCW 69.51A.230 and issue
22 recognition cards and agree to enter qualifying patients and
23 designated providers into the database and issue recognition cards in
24 compliance with department standards;

25 (e) Keep copies of the qualifying patient's or designated
26 provider's recognition card, or keep equivalent records as required
27 by rule of the ((~~state liquor and cannabis~~)) board or the department
28 of revenue to document the validity of tax exempt sales; and

29 (f) Meet other requirements as adopted by rule of the department
30 or the ((~~state liquor and cannabis~~)) board.

31 (4) The department, in conjunction with the ((~~state liquor and~~
32 ~~cannabis~~)) board, must adopt rules on requirements for ((~~marijuana~~))
33 cannabis concentrates, useable ((~~marijuana, and marijuana-infused~~))
34 cannabis, and cannabis-infused products that may be sold, or provided
35 at no charge, to qualifying patients or designated providers at a
36 retail outlet holding a medical ((~~marijuana~~)) cannabis endorsement.
37 These rules must include:

38 (a) THC concentration, CBD concentration, or low THC, high CBD
39 ratios appropriate for ((~~marijuana~~)) cannabis concentrates, useable

1 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
2 products sold to qualifying patients or designated providers;

3 (b) Labeling requirements including that the labels attached to
4 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
5 ~~marijuana-infused~~)) cannabis, or cannabis-infused products contain
6 THC concentration, CBD concentration, and THC to CBD ratios;

7 (c) Other product requirements, including any additional mold,
8 fungus, or pesticide testing requirements, or limitations to the
9 types of solvents that may be used in ((~~marijuana~~)) cannabis
10 processing that the department deems necessary to address the medical
11 needs of qualifying patients;

12 (d) Safe handling requirements for ((~~marijuana~~)) cannabis
13 concentrates, useable ((~~marijuana, or marijuana-infused~~)) cannabis,
14 or cannabis-infused products; and

15 (e) Training requirements for employees.

16 (5) A ((~~marijuana~~)) cannabis retailer holding an endorsement to
17 sell ((~~marijuana~~)) cannabis to qualifying patients or designated
18 providers must train its employees on:

19 (a) Procedures regarding the recognition of valid authorizations
20 and the use of equipment to enter qualifying patients and designated
21 providers into the medical ((~~marijuana~~)) cannabis authorization
22 database;

23 (b) Recognition of valid recognition cards; and

24 (c) Recognition of strains, varieties, THC concentration, CBD
25 concentration, and THC to CBD ratios of ((~~marijuana~~)) cannabis
26 concentrates, useable ((~~marijuana, and marijuana-infused~~)) cannabis,
27 and cannabis-infused products, available for sale when assisting
28 qualifying patients and designated providers at the retail outlet.

29 **Sec. 78.** RCW 69.50.378 and 2015 c 70 s 11 are each amended to
30 read as follows:

31 A ((~~marijuana~~)) cannabis retailer or a ((~~marijuana~~)) cannabis
32 retailer holding a medical ((~~marijuana~~)) cannabis endorsement may
33 sell products with a THC concentration of 0.3 percent or less.
34 ((~~Marijuana~~)) Cannabis retailers holding a medical ((~~marijuana~~))
35 cannabis endorsement may also provide these products at no charge to
36 qualifying patients or designated providers.

37 **Sec. 79.** RCW 69.50.380 and 2015 2nd sp.s. c 4 s 211 are each
38 amended to read as follows:

1 (1) (~~Marijuana~~) Cannabis producers, processors, and retailers
2 are prohibited from making sales of any (~~marijuana or marijuana~~)
3 cannabis or cannabis product, if the sale of the (~~marijuana or~~
4 ~~marijuana~~) cannabis or cannabis product is conditioned upon the
5 buyer's purchase of any service or (~~nonmarijuana~~) noncannabis
6 product. This subsection applies whether the buyer purchases such
7 service or (~~nonmarijuana~~) noncannabis product at the time of sale
8 of the (~~marijuana or marijuana~~) cannabis or cannabis product, or in
9 a separate transaction.

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

12 (a) (~~"Marijuana~~) "Cannabis product" means "useable
13 (~~marijuana, " "marijuana~~) cannabis," "cannabis concentrates," and
14 (~~"marijuana-infused~~) "cannabis-infused products," as those terms
15 are defined in RCW 69.50.101.

16 (b) (~~"Nonmarijuana~~) "Noncannabis product" includes
17 paraphernalia, promotional items, lighters, bags, boxes, containers,
18 and such other items as may be identified by the (~~state liquor and~~
19 ~~cannabis~~) board.

20 (c) "Selling price" has the same meaning as in RCW 69.50.535.

21 (d) "Service" includes memberships and any other services
22 identified by the (~~state liquor and cannabis~~) board.

23 **Sec. 80.** RCW 69.50.382 and 2017 c 317 s 7 are each amended to
24 read as follows:

25 (1) A licensed (~~marijuana~~) cannabis producer, (~~marijuana~~)
26 cannabis processor, (~~marijuana~~) cannabis researcher, or
27 (~~marijuana~~) cannabis retailer, or their employees, in accordance
28 with the requirements of this chapter and the administrative rules
29 adopted thereunder, may use the services of a common carrier subject
30 to regulation under chapters 81.28 and 81.29 RCW and licensed in
31 compliance with the regulations established under RCW 69.50.385, to
32 physically transport or deliver, as authorized under this chapter,
33 (~~marijuana~~) cannabis, useable (~~marijuana, marijuana~~) cannabis,
34 cannabis concentrates, immature plants or clones, (~~marijuana~~)
35 cannabis seeds, and (~~marijuana-infused~~) cannabis-infused products
36 between licensed (~~marijuana~~) cannabis businesses located within the
37 state.

38 (2) An employee of a common carrier engaged in (~~marijuana-~~
39 ~~related~~) cannabis-related transportation or delivery services

1 authorized under subsection (1) of this section is prohibited from
2 carrying or using a firearm during the course of providing such
3 services, unless:

4 (a) Pursuant to RCW 69.50.385, the (~~state liquor and cannabis~~)
5 board explicitly authorizes the carrying or use of firearms by such
6 employee while engaged in the transportation or delivery services;

7 (b) The employee has an armed private security guard license
8 issued pursuant to RCW 18.170.040; and

9 (c) The employee is in full compliance with the regulations
10 established by the (~~state liquor and cannabis~~) board under RCW
11 69.50.385.

12 (3) A common carrier licensed under RCW 69.50.385 may, for the
13 purpose of transporting and delivering (~~marijuana~~) cannabis,
14 useable (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
15 (~~marijuana-infused~~) cannabis-infused products, utilize Washington
16 state ferry routes for such transportation and delivery.

17 (4) The possession of (~~marijuana~~) cannabis, useable
18 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
19 (~~marijuana-infused~~) cannabis-infused products being physically
20 transported or delivered within the state, in amounts not exceeding
21 those that may be established under RCW 69.50.385(3), by a licensed
22 employee of a common carrier when performing the duties authorized
23 under, and in accordance with, this section and RCW 69.50.385, is not
24 a violation of this section, this chapter, or any other provision of
25 Washington state law.

26 **Sec. 81.** RCW 69.50.385 and 2015 2nd sp.s. c 4 s 502 are each
27 amended to read as follows:

28 (1) The (~~state liquor and cannabis~~) board must adopt rules
29 providing for an annual licensing procedure of a common carrier who
30 seeks to transport or deliver (~~marijuana~~) cannabis, useable
31 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
32 (~~marijuana-infused~~) cannabis-infused products within the state.

33 (2) The rules for licensing must:

34 (a) Establish criteria for considering the approval or denial of
35 a common carrier's original application or renewal application;

36 (b) Provide minimum qualifications for any employee authorized to
37 drive or operate the transportation or delivery vehicle, including a
38 minimum age of at least twenty-one years;

1 (c) Address the safety of the employees transporting or
2 delivering the products, including issues relating to the carrying of
3 firearms by such employees;

4 (d) Address the security of the products being transported,
5 including a system of electronically tracking all products at both
6 the point of pickup and the point of delivery; and

7 (e) Set reasonable fees for the application and licensing
8 process.

9 (3) The (~~state liquor and cannabis~~) board may adopt rules
10 establishing the maximum amounts of (~~marijuana~~) cannabis, useable
11 (~~marijuana, marijuana~~) cannabis, cannabis concentrates, and
12 (~~marijuana-infused~~) cannabis-infused products that may be
13 physically transported or delivered at one time by a common carrier
14 as provided under RCW 69.50.382.

15 **Sec. 82.** RCW 69.50.390 and 2015 2nd sp.s. c 4 s 1301 are each
16 amended to read as follows:

17 (1) A retailer licensed under this chapter is prohibited from
18 operating a vending machine, as defined in RCW 82.08.080(3) for the
19 sale of (~~marijuana~~) cannabis products at retail or a drive-through
20 purchase facility where (~~marijuana~~) cannabis products are sold at
21 retail and dispensed through a window or door to a purchaser who is
22 either in or on a motor vehicle or otherwise located outside of the
23 licensed premises at the time of sale.

24 (2) The (~~state liquor and cannabis~~) board may not issue,
25 transfer, or renew a (~~marijuana~~) cannabis retail license for any
26 licensee in violation of the provisions of subsection (1) of this
27 section.

28 **Sec. 83.** RCW 69.50.395 and 2019 c 380 s 1 are each amended to
29 read as follows:

30 (1) A licensed (~~marijuana~~) cannabis business may enter into an
31 agreement with any person, business, or other entity for:

32 (a) Any goods or services that are registered as a trademark
33 under federal law, under chapter 19.77 RCW, or under any other state
34 or international trademark law;

35 (b) Any unregistered trademark, trade name, or trade dress; or

36 (c) Any trade secret, technology, or proprietary information used
37 to manufacture a cannabis product or used to provide a service
38 related to any (~~marijuana~~) cannabis business.

1 (2) Any agreements entered into by a licensed (~~marijuana~~)
2 cannabis business, as authorized under this section, must be
3 disclosed to the (~~state liquor and cannabis~~) board and may include:

4 (a) A royalty fee or flat rate calculated based on sales of each
5 product that includes the intellectual property or was manufactured
6 or sold using the licensed intellectual property or service, provided
7 that the royalty fee is no greater than an amount equivalent to ten
8 percent of the licensed (~~marijuana~~) cannabis business's gross sales
9 derived from the sale of such product;

10 (b) A flat rate or lump sum calculated based on time or
11 milestones;

12 (c) Terms giving either party exclusivity or qualified
13 exclusivity as it relates to use of the intellectual property;

14 (d) Quality control standards as necessary to protect the
15 integrity of the intellectual property;

16 (e) Enforcement obligations to be undertaken by the licensed
17 (~~marijuana~~) cannabis business;

18 (f) Covenants to use the licensed intellectual property; and

19 (g) Assignment of licensor improvements of the intellectual
20 property.

21 (3) A person, business, or entity that enters into an agreement
22 with a licensed (~~marijuana~~) cannabis business, where both parties
23 to the agreement are in compliance with the terms of this section, is
24 exempt from the requirement to qualify for a (~~marijuana~~) cannabis
25 business license for purposes of the agreements authorized by
26 subsection (1) of this section.

27 (4) All agreements entered into by a licensed (~~marijuana~~)
28 cannabis business, as authorized by this section, are subject to the
29 (~~liquor and cannabis~~) board's recordkeeping requirements as
30 established by rule.

31 **Sec. 84.** RCW 69.50.401 and 2019 c 379 s 2 are each amended to
32 read as follows:

33 (1) Except as authorized by this chapter, it is unlawful for any
34 person to manufacture, deliver, or possess with intent to manufacture
35 or deliver, a controlled substance.

36 (2) Any person who violates this section with respect to:

37 (a) A controlled substance classified in Schedule I or II which
38 is a narcotic drug or flunitrazepam, including its salts, isomers,
39 and salts of isomers, classified in Schedule IV, is guilty of a class

1 B felony and upon conviction may be imprisoned for not more than ten
2 years, or (i) fined not more than twenty-five thousand dollars if the
3 crime involved less than two kilograms of the drug, or both such
4 imprisonment and fine; or (ii) if the crime involved two or more
5 kilograms of the drug, then fined not more than one hundred thousand
6 dollars for the first two kilograms and not more than fifty dollars
7 for each gram in excess of two kilograms, or both such imprisonment
8 and fine;

9 (b) Amphetamine, including its salts, isomers, and salts of
10 isomers, or methamphetamine, including its salts, isomers, and salts
11 of isomers, is guilty of a class B felony and upon conviction may be
12 imprisoned for not more than ten years, or (i) fined not more than
13 twenty-five thousand dollars if the crime involved less than two
14 kilograms of the drug, or both such imprisonment and fine; or (ii) if
15 the crime involved two or more kilograms of the drug, then fined not
16 more than one hundred thousand dollars for the first two kilograms
17 and not more than fifty dollars for each gram in excess of two
18 kilograms, or both such imprisonment and fine. Three thousand dollars
19 of the fine may not be suspended. As collected, the first three
20 thousand dollars of the fine must be deposited with the law
21 enforcement agency having responsibility for cleanup of laboratories,
22 sites, or substances used in the manufacture of the methamphetamine,
23 including its salts, isomers, and salts of isomers. The fine moneys
24 deposited with that law enforcement agency must be used for such
25 clean-up cost;

26 (c) Any other controlled substance classified in Schedule I, II,
27 or III, is guilty of a class C felony punishable according to chapter
28 9A.20 RCW, except as provided in RCW 69.50.475;

29 (d) A substance classified in Schedule IV, except flunitrazepam,
30 including its salts, isomers, and salts of isomers, is guilty of a
31 class C felony punishable according to chapter 9A.20 RCW; or

32 (e) A substance classified in Schedule V, is guilty of a class C
33 felony punishable according to chapter 9A.20 RCW.

34 (3) The production, manufacture, processing, packaging, delivery,
35 distribution, sale, or possession of (~~marijuana~~) cannabis in
36 compliance with the terms set forth in RCW 69.50.360, 69.50.363, or
37 69.50.366 shall not constitute a violation of this section, this
38 chapter, or any other provision of Washington state law.

39 (4) The fines in this section apply to adult offenders only.

1 **Sec. 85.** RCW 69.50.4013 and 2021 c 311 s 9 are each amended to
2 read as follows:

3 (1) It is unlawful for any person to knowingly possess a
4 controlled substance unless the substance was obtained directly from,
5 or pursuant to, a valid prescription or order of a practitioner while
6 acting in the course of his or her professional practice, or except
7 as otherwise authorized by this chapter.

8 (2) Except as provided in RCW 69.50.4014, any person who violates
9 this section is guilty of a misdemeanor.

10 (3) The prosecutor is encouraged to divert cases under this
11 section for assessment, treatment, or other services.

12 (4)(a) The possession, by a person twenty-one years of age or
13 older, of useable ((~~marijuana, marijuana~~)) cannabis, cannabis
14 concentrates, or ((~~marijuana-infused~~)) cannabis-infused products in
15 amounts that do not exceed those set forth in RCW 69.50.360(3) is not
16 a violation of this section, this chapter, or any other provision of
17 Washington state law.

18 (b) The possession of ((~~marijuana~~)) cannabis, useable
19 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, and
20 ((~~marijuana-infused~~)) cannabis-infused products being physically
21 transported or delivered within the state, in amounts not exceeding
22 those that may be established under RCW 69.50.385(3), by a licensed
23 employee of a common carrier when performing the duties authorized in
24 accordance with RCW 69.50.382 and 69.50.385, is not a violation of
25 this section, this chapter, or any other provision of Washington
26 state law.

27 (5)(a) The delivery by a person twenty-one years of age or older
28 to one or more persons twenty-one years of age or older, during a
29 single twenty-four hour period, for noncommercial purposes and not
30 conditioned upon or done in connection with the provision or receipt
31 of financial consideration, of any of the following ((~~marijuana~~))
32 cannabis products, is not a violation of this section, this chapter,
33 or any other provisions of Washington state law:

34 (i) One-half ounce of useable ((~~marijuana~~)) cannabis;

35 (ii) Eight ounces of ((~~marijuana-infused~~)) cannabis-infused
36 product in solid form;

37 (iii) Thirty-six ounces of ((~~marijuana-infused~~)) cannabis-infused
38 product in liquid form; or

39 (iv) Three and one-half grams of ((~~marijuana~~)) cannabis
40 concentrates.

1 (b) The act of delivering (~~(marijuana or a marijuana)~~) cannabis
2 or a cannabis product as authorized under this subsection (5) must
3 meet one of the following requirements:

4 (i) The delivery must be done in a location outside of the view
5 of general public and in a nonpublic place; or

6 (ii) The (~~(marijuana or marijuana)~~) cannabis or cannabis product
7 must be in the original packaging as purchased from the (~~(marijuana)~~)
8 cannabis retailer.

9 (6) No person under twenty-one years of age may possess,
10 manufacture, sell, or distribute (~~(marijuana, marijuana-infused)~~)
11 cannabis, cannabis-infused products, or (~~(marijuana)~~) cannabis
12 concentrates, regardless of THC concentration. This does not include
13 qualifying patients with a valid authorization.

14 (7) The possession by a qualifying patient or designated provider
15 of (~~(marijuana)~~) cannabis concentrates, useable (~~(marijuana,~~
16 ~~marijuana-infused)~~) cannabis, cannabis-infused products, or plants in
17 accordance with chapter 69.51A RCW is not a violation of this
18 section, this chapter, or any other provision of Washington state
19 law.

20 **Sec. 86.** RCW 69.50.4013 and 2017 c 317 s 15 are each amended to
21 read as follows:

22 (1) It is unlawful for any person to possess a controlled
23 substance unless the substance was obtained directly from, or
24 pursuant to, a valid prescription or order of a practitioner while
25 acting in the course of his or her professional practice, or except
26 as otherwise authorized by this chapter.

27 (2) Except as provided in RCW 69.50.4014, any person who violates
28 this section is guilty of a class C felony punishable under chapter
29 9A.20 RCW.

30 (3)(a) The possession, by a person twenty-one years of age or
31 older, of useable (~~(marijuana, marijuana)~~) cannabis, cannabis
32 concentrates, or (~~(marijuana-infused)~~) cannabis-infused products in
33 amounts that do not exceed those set forth in RCW 69.50.360(3) is not
34 a violation of this section, this chapter, or any other provision of
35 Washington state law.

36 (b) The possession of (~~(marijuana)~~) cannabis, useable
37 (~~(marijuana, marijuana)~~) cannabis, cannabis concentrates, and
38 (~~(marijuana-infused)~~) cannabis-infused products being physically
39 transported or delivered within the state, in amounts not exceeding

1 those that may be established under RCW 69.50.385(3), by a licensed
2 employee of a common carrier when performing the duties authorized in
3 accordance with RCW 69.50.382 and 69.50.385, is not a violation of
4 this section, this chapter, or any other provision of Washington
5 state law.

6 (4) (a) The delivery by a person twenty-one years of age or older
7 to one or more persons twenty-one years of age or older, during a
8 single twenty-four hour period, for noncommercial purposes and not
9 conditioned upon or done in connection with the provision or receipt
10 of financial consideration, of any of the following ((~~marijuana~~))
11 cannabis products, is not a violation of this section, this chapter,
12 or any other provisions of Washington state law:

13 (i) One-half ounce of useable ((~~marijuana~~)) cannabis;

14 (ii) Eight ounces of ((~~marijuana-infused~~)) cannabis-infused
15 product in solid form;

16 (iii) Thirty-six ounces of ((~~marijuana-infused~~)) cannabis-infused
17 product in liquid form; or

18 (iv) Three and one-half grams of ((~~marijuana~~)) cannabis
19 concentrates.

20 (b) The act of delivering ((~~marijuana or a marijuana~~)) cannabis
21 or a cannabis product as authorized under this subsection (4) must
22 meet one of the following requirements:

23 (i) The delivery must be done in a location outside of the view
24 of general public and in a nonpublic place; or

25 (ii) The ((~~marijuana or marijuana~~)) cannabis or cannabis product
26 must be in the original packaging as purchased from the ((~~marijuana~~))
27 cannabis retailer.

28 (5) No person under twenty-one years of age may possess,
29 manufacture, sell, or distribute ((~~marijuana, marijuana-infused~~))
30 cannabis, cannabis-infused products, or ((~~marijuana~~)) cannabis
31 concentrates, regardless of THC concentration. This does not include
32 qualifying patients with a valid authorization.

33 (6) The possession by a qualifying patient or designated provider
34 of ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana,~~
35 ~~marijuana-infused~~)) cannabis, cannabis-infused products, or plants in
36 accordance with chapter 69.51A RCW is not a violation of this
37 section, this chapter, or any other provision of Washington state
38 law.

1 **Sec. 87.** RCW 69.50.4014 and 2021 c 311 s 10 are each amended to
2 read as follows:

3 Except as provided in RCW 69.50.401(2)(c) or as otherwise
4 authorized by this chapter, any person found guilty of knowing
5 possession of forty grams or less of (~~marijuana~~) cannabis is guilty
6 of a misdemeanor. The prosecutor is encouraged to divert cases under
7 this section for assessment, treatment, or other services.

8 **Sec. 88.** RCW 69.50.4014 and 2015 2nd sp.s. c 4 s 505 are each
9 amended to read as follows:

10 Except as provided in RCW 69.50.401(2)(c) or as otherwise
11 authorized by this chapter, any person found guilty of possession of
12 forty grams or less of (~~marijuana~~) cannabis is guilty of a
13 misdemeanor.

14 **Sec. 89.** RCW 69.50.408 and 2003 c 53 s 341 are each amended to
15 read as follows:

16 (1) Any person convicted of a second or subsequent offense under
17 this chapter may be imprisoned for a term up to twice the term
18 otherwise authorized, fined an amount up to twice that otherwise
19 authorized, or both.

20 (2) For purposes of this section, an offense is considered a
21 second or subsequent offense, if, prior to his or her conviction of
22 the offense, the offender has at any time been convicted under this
23 chapter or under any statute of the United States or of any state
24 relating to narcotic drugs, (~~marihuana~~) cannabis, depressant,
25 stimulant, or hallucinogenic drugs.

26 (3) This section does not apply to offenses under RCW 69.50.4013.

27 **Sec. 90.** RCW 69.50.410 and 2003 c 53 s 342 are each amended to
28 read as follows:

29 (1) Except as authorized by this chapter it is a class C felony
30 for any person to sell for profit any controlled substance or
31 counterfeit substance classified in Schedule I, RCW 69.50.204, except
32 leaves and flowering tops of (~~marihuana~~) cannabis.

33 For the purposes of this section only, the following words and
34 phrases shall have the following meanings:

35 (a) "To sell" means the passing of title and possession of a
36 controlled substance from the seller to the buyer for a price whether
37 or not the price is paid immediately or at a future date.

1 (b) "For profit" means the obtaining of anything of value in
2 exchange for a controlled substance.

3 (c) "Price" means anything of value.

4 (2)(a) Any person convicted of a violation of subsection (1) of
5 this section shall receive a sentence of not more than five years in
6 a correctional facility of the department of social and health
7 services for the first offense.

8 (b) Any person convicted on a second or subsequent cause, the
9 sale having transpired after prosecution and conviction on the first
10 cause, of subsection (1) of this section shall receive a mandatory
11 sentence of five years in a correctional facility of the department
12 of social and health services and no judge of any court shall suspend
13 or defer the sentence imposed for the second or subsequent violation
14 of subsection (1) of this section.

15 (3)(a) Any person convicted of a violation of subsection (1) of
16 this section by selling heroin shall receive a mandatory sentence of
17 two years in a correctional facility of the department of social and
18 health services and no judge of any court shall suspend or defer the
19 sentence imposed for such violation.

20 (b) Any person convicted on a second or subsequent sale of
21 heroin, the sale having transpired after prosecution and conviction
22 on the first cause of the sale of heroin shall receive a mandatory
23 sentence of ten years in a correctional facility of the department of
24 social and health services and no judge of any court shall suspend or
25 defer the sentence imposed for this second or subsequent violation:
26 PROVIDED, That the indeterminate sentence review board under RCW
27 9.95.040 shall not reduce the minimum term imposed for a violation
28 under this subsection.

29 (4) Whether or not a mandatory minimum term has expired, an
30 offender serving a sentence under this section may be granted an
31 extraordinary medical placement when authorized under RCW
32 9.94A.728(~~(4)~~) (1)(c).

33 (5) In addition to the sentences provided in subsection (2) of
34 this section, any person convicted of a violation of subsection (1)
35 of this section shall be fined in an amount calculated to at least
36 eliminate any and all proceeds or profits directly or indirectly
37 gained by such person as a result of sales of controlled substances
38 in violation of the laws of this or other states, or the United
39 States, up to the amount of five hundred thousand dollars on each
40 count.

1 (6) Any person, addicted to the use of controlled substances, who
2 voluntarily applies to the department of social and health services
3 for the purpose of participating in a rehabilitation program approved
4 by the department for addicts of controlled substances shall be
5 immune from prosecution for subsection (1) offenses unless a filing
6 of an information or indictment against such person for a violation
7 of subsection (1) of this section is made prior to his or her
8 voluntary participation in the program of the department of social
9 and health services. All applications for immunity under this section
10 shall be sent to the department of social and health services in
11 Olympia. It shall be the duty of the department to stamp each
12 application received pursuant to this section with the date and time
13 of receipt.

14 (7) This section shall not apply to offenses defined and
15 punishable under the provisions of RCW 69.50.401 through 69.50.4015.

16 **Sec. 91.** RCW 69.50.412 and 2021 c 311 s 14 are each amended to
17 read as follows:

18 (1) It is unlawful for any person to use drug paraphernalia to
19 plant, propagate, cultivate, grow, harvest, manufacture, compound,
20 convert, produce, process, or prepare a controlled substance other
21 than (~~marijuana~~) cannabis. Any person who violates this subsection
22 is guilty of a misdemeanor.

23 (2) It is unlawful for any person to deliver, possess with intent
24 to deliver, or manufacture with intent to deliver drug paraphernalia,
25 knowing, or under circumstances where one reasonably should know,
26 that it will be used to plant, propagate, cultivate, grow, harvest,
27 manufacture, compound, convert, produce, process, or prepare a
28 controlled substance other than (~~marijuana~~) cannabis. Any person
29 who violates this subsection is guilty of a misdemeanor.

30 (3) Any person eighteen years of age or over who violates
31 subsection (2) of this section by delivering drug paraphernalia to a
32 person under eighteen years of age who is at least three years his or
33 her junior is guilty of a gross misdemeanor.

34 (4) It is unlawful for any person to place in any newspaper,
35 magazine, handbill, or other publication any advertisement, knowing,
36 or under circumstances where one reasonably should know, that the
37 purpose of the advertisement, in whole or in part, is to promote the
38 sale of objects designed or intended for use as drug paraphernalia.
39 Any person who violates this subsection is guilty of a misdemeanor.

1 (5) It is lawful for any person over the age of eighteen to
2 possess sterile hypodermic syringes and needles for the purpose of
3 reducing blood-borne diseases.

4 **Sec. 92.** RCW 69.50.4121 and 2013 c 3 s 23 are each amended to
5 read as follows:

6 (1) Every person who sells or gives, or permits to be sold or
7 given to any person any drug paraphernalia in any form commits a
8 class I civil infraction under chapter 7.80 RCW. For purposes of this
9 subsection, "drug paraphernalia" means all equipment, products, and
10 materials of any kind which are used, intended for use, or designed
11 for use in planting, propagating, cultivating, growing, harvesting,
12 manufacturing, compounding, converting, producing, processing,
13 preparing, testing, analyzing, packaging, repackaging, storing,
14 containing, concealing, injecting, ingesting, inhaling, or otherwise
15 introducing into the human body a controlled substance other than
16 (~~marijuana~~) cannabis. Drug paraphernalia includes, but is not
17 limited to objects used, intended for use, or designed for use in
18 ingesting, inhaling, or otherwise introducing cocaine into the human
19 body, such as:

20 (a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic
21 pipes with or without screens, permanent screens, hashish heads, or
22 punctured metal bowls;

23 (b) Water pipes;

24 (c) Carburetion tubes and devices;

25 (d) Smoking and carburetion masks;

26 (e) Miniature cocaine spoons and cocaine vials;

27 (f) Chamber pipes;

28 (g) Carburetor pipes;

29 (h) Electric pipes;

30 (i) Air-driven pipes; and

31 (j) Ice pipes or chillers.

32 (2) It shall be no defense to a prosecution for a violation of
33 this section that the person acted, or was believed by the defendant
34 to act, as agent or representative of another.

35 (3) Nothing in subsection (1) of this section prohibits legal
36 distribution of injection syringe equipment through public health and
37 community based HIV prevention programs, and pharmacies.

1 **Sec. 93.** RCW 69.50.435 and 2015 c 265 s 37 are each amended to
2 read as follows:

3 (1) Any person who violates RCW 69.50.401 by manufacturing,
4 selling, delivering, or possessing with the intent to manufacture,
5 sell, or deliver a controlled substance listed under RCW 69.50.401 or
6 who violates RCW 69.50.410 by selling for profit any controlled
7 substance or counterfeit substance classified in schedule I, RCW
8 69.50.204, except leaves and flowering tops of (~~marihuana~~) cannabis
9 to a person:

10 (a) In a school;

11 (b) On a school bus;

12 (c) Within one thousand feet of a school bus route stop
13 designated by the school district;

14 (d) Within one thousand feet of the perimeter of the school
15 grounds;

16 (e) In a public park;

17 (f) In a public housing project designated by a local governing
18 authority as a drug-free zone;

19 (g) On a public transit vehicle;

20 (h) In a public transit stop shelter;

21 (i) At a civic center designated as a drug-free zone by the local
22 governing authority; or

23 (j) Within one thousand feet of the perimeter of a facility
24 designated under (i) of this subsection, if the local governing
25 authority specifically designates the one thousand foot perimeter may
26 be punished by a fine of up to twice the fine otherwise authorized by
27 this chapter, but not including twice the fine authorized by RCW
28 69.50.406, or by imprisonment of up to twice the imprisonment
29 otherwise authorized by this chapter, but not including twice the
30 imprisonment authorized by RCW 69.50.406, or by both such fine and
31 imprisonment. The provisions of this section shall not operate to
32 more than double the fine or imprisonment otherwise authorized by
33 this chapter for an offense.

34 (2) It is not a defense to a prosecution for a violation of this
35 section that the person was unaware that the prohibited conduct took
36 place while in a school or school bus or within one thousand feet of
37 the school or school bus route stop, in a public park, in a public
38 housing project designated by a local governing authority as a drug-
39 free zone, on a public transit vehicle, in a public transit stop
40 shelter, at a civic center designated as a drug-free zone by the

1 local governing authority, or within one thousand feet of the
2 perimeter of a facility designated under subsection (1)(i) of this
3 section, if the local governing authority specifically designates the
4 one thousand foot perimeter.

5 (3) It is not a defense to a prosecution for a violation of this
6 section or any other prosecution under this chapter that persons
7 under the age of eighteen were not present in the school, the school
8 bus, the public park, the public housing project designated by a
9 local governing authority as a drug-free zone, or the public transit
10 vehicle, or at the school bus route stop, the public transit vehicle
11 stop shelter, at a civic center designated as a drug-free zone by the
12 local governing authority, or within one thousand feet of the
13 perimeter of a facility designated under subsection (1)(i) of this
14 section, if the local governing authority specifically designates the
15 one thousand foot perimeter at the time of the offense or that school
16 was not in session.

17 (4) It is an affirmative defense to a prosecution for a violation
18 of this section that the prohibited conduct took place entirely
19 within a private residence, that no person under eighteen years of
20 age or younger was present in such private residence at any time
21 during the commission of the offense, and that the prohibited conduct
22 did not involve delivering, manufacturing, selling, or possessing
23 with the intent to manufacture, sell, or deliver any controlled
24 substance in RCW 69.50.401 for profit. The affirmative defense
25 established in this section shall be proved by the defendant by a
26 preponderance of the evidence. This section shall not be construed to
27 establish an affirmative defense with respect to a prosecution for an
28 offense defined in any other section of this chapter.

29 (5) In a prosecution under this section, a map produced or
30 reproduced by any municipality, school district, county, transit
31 authority engineer, or public housing authority for the purpose of
32 depicting the location and boundaries of the area on or within one
33 thousand feet of any property used for a school, school bus route
34 stop, public park, public housing project designated by a local
35 governing authority as a drug-free zone, public transit vehicle stop
36 shelter, or a civic center designated as a drug-free zone by a local
37 governing authority, or a true copy of such a map, shall under proper
38 authentication, be admissible and shall constitute prima facie
39 evidence of the location and boundaries of those areas if the
40 governing body of the municipality, school district, county, or

1 transit authority has adopted a resolution or ordinance approving the
2 map as the official location and record of the location and
3 boundaries of the area on or within one thousand feet of the school,
4 school bus route stop, public park, public housing project designated
5 by a local governing authority as a drug-free zone, public transit
6 vehicle stop shelter, or civic center designated as a drug-free zone
7 by a local governing authority. Any map approved under this section
8 or a true copy of the map shall be filed with the clerk of the
9 municipality or county, and shall be maintained as an official record
10 of the municipality or county. This section shall not be construed as
11 precluding the prosecution from introducing or relying upon any other
12 evidence or testimony to establish any element of the offense. This
13 section shall not be construed as precluding the use or admissibility
14 of any map or diagram other than the one which has been approved by
15 the governing body of a municipality, school district, county,
16 transit authority, or public housing authority if the map or diagram
17 is otherwise admissible under court rule.

18 (6) As used in this section the following terms have the meanings
19 indicated unless the context clearly requires otherwise:

20 (a) "School" has the meaning under RCW 28A.150.010 or
21 28A.150.020. The term "school" also includes a private school
22 approved under RCW 28A.195.010;

23 (b) "School bus" means a school bus as defined by the
24 superintendent of public instruction by rule which is owned and
25 operated by any school district and all school buses which are
26 privately owned and operated under contract or otherwise with any
27 school district in the state for the transportation of students. The
28 term does not include buses operated by common carriers in the urban
29 transportation of students such as transportation of students through
30 a municipal transportation system;

31 (c) "School bus route stop" means a school bus stop as designated
32 by a school district;

33 (d) "Public park" means land, including any facilities or
34 improvements on the land, that is operated as a park by the state or
35 a local government;

36 (e) "Public transit vehicle" means any motor vehicle, streetcar,
37 train, trolley vehicle, or any other device, vessel, or vehicle which
38 is owned or operated by a transit authority and which is used for the
39 purpose of carrying passengers on a regular schedule;

1 (f) "Transit authority" means a city, county, or state
2 transportation system, transportation authority, public
3 transportation benefit area, public transit authority, or
4 metropolitan municipal corporation within the state that operates
5 public transit vehicles;

6 (g) "Stop shelter" means a passenger shelter designated by a
7 transit authority;

8 (h) "Civic center" means a publicly owned or publicly operated
9 place or facility used for recreational, educational, or cultural
10 activities;

11 (i) "Public housing project" means the same as "housing project"
12 as defined in RCW 35.82.020.

13 (7) The fines imposed by this section apply to adult offenders
14 only.

15 **Sec. 94.** RCW 69.50.445 and 2015 2nd sp.s. c 4 s 401 are each
16 amended to read as follows:

17 (1) It is unlawful to open a package containing ((marijuana))
18 cannabis, useable ((marijuana, —marijuana-infused)) cannabis,
19 cannabis-infused products, or ((marijuana)) cannabis concentrates, or
20 consume ((marijuana)) cannabis, useable ((marijuana, —marijuana-
21 infused)) cannabis, cannabis-infused products, or ((marijuana))
22 cannabis concentrates, in view of the general public or in a public
23 place.

24 (2) For the purposes of this section, "public place" has the same
25 meaning as defined in RCW 66.04.010, but the exclusions in RCW
26 66.04.011 do not apply.

27 (3) A person who violates this section is guilty of a class 3
28 civil infraction under chapter 7.80 RCW.

29 **Sec. 95.** RCW 69.50.450 and 2015 c 70 s 15 are each amended to
30 read as follows:

31 (1) Nothing in this chapter permits anyone other than a validly
32 licensed ((marijuana)) cannabis processor to use butane or other
33 explosive gases to extract or separate resin from ((marijuana))
34 cannabis or to produce or process any form of ((marijuana)) cannabis
35 concentrates or ((marijuana-infused)) cannabis-infused products that
36 include ((marijuana)) cannabis concentrates not purchased from a
37 validly licensed ((marijuana)) cannabis retailer as an ingredient.
38 The extraction or separation of resin from ((marijuana)) cannabis,

1 the processing of ((~~marijuana~~)) cannabis concentrates, and the
2 processing of ((~~marijuana-infused~~)) cannabis-infused products that
3 include ((~~marijuana~~)) cannabis concentrates not purchased from a
4 validly licensed ((~~marijuana~~)) cannabis retailer as an ingredient by
5 any person other than a validly licensed ((~~marijuana~~)) cannabis
6 processor each constitute manufacture of ((~~marijuana~~)) cannabis in
7 violation of RCW 69.50.401. Cooking oil, butter, and other
8 nonexplosive home cooking substances may be used to make
9 ((~~marijuana~~)) cannabis extracts for noncommercial personal use.

10 (2) Except for the use of butane, the ((~~state liquor and~~
11 ~~cannabis~~)) board may not enforce this section until it has adopted
12 the rules required by RCW 69.51A.270.

13 **Sec. 96.** RCW 69.50.465 and 2015 2nd sp.s. c 4 s 1401 are each
14 amended to read as follows:

15 (1) It is unlawful for any person to conduct or maintain a
16 ((~~marijuana~~)) cannabis club by himself or herself or by associating
17 with others, or in any manner aid, assist, or abet in conducting or
18 maintaining a ((~~marijuana~~)) cannabis club.

19 (2) It is unlawful for any person to conduct or maintain a public
20 place where ((~~marijuana~~)) cannabis is held or stored, except as
21 provided for a licensee under this chapter, or consumption of
22 ((~~marijuana~~)) cannabis is permitted.

23 (3) Any person who violates this section is guilty of a class C
24 felony punishable under chapter 9A.20 RCW.

25 (4) The following definitions apply throughout this section
26 unless the context clearly requires otherwise.

27 (a) ((~~"Marijuana~~)) "Cannabis club" means a club, association, or
28 other business, for profit or otherwise, that conducts or maintains a
29 premises for the primary or incidental purpose of providing a
30 location where members or other persons may keep or consume
31 ((~~marijuana~~)) cannabis on the premises.

32 (b) "Public place" means, in addition to the definition provided
33 in RCW 66.04.010, any place to which admission is charged or for
34 which any pecuniary gain is realized by the owner or operator of such
35 place.

36 **Sec. 97.** RCW 69.50.475 and 2019 c 379 s 1 are each amended to
37 read as follows:

1 (1) Except as otherwise authorized in this chapter and as
2 provided in subsection (2) of this section, an employee of a retail
3 outlet who sells ((~~marijuana~~)) cannabis products to a person under
4 the age of twenty-one years in the course of his or her employment is
5 guilty of a gross misdemeanor.

6 (2) An employee of a retail outlet may be prosecuted under RCW
7 69.50.401 or 69.50.406 or any other applicable provision, if the
8 employee sells ((~~marijuana~~)) cannabis products to a person the
9 employee knows is under the age of twenty-one and not otherwise
10 authorized to purchase ((~~marijuana~~)) cannabis products under this
11 chapter, or if the employee sells or otherwise provides ((~~marijuana~~))
12 cannabis products to a person under the age of twenty-one outside of
13 the course of his or her employment.

14 **Sec. 98.** RCW 69.50.505 and 2013 c 3 s 25 are each amended to
15 read as follows:

16 (1) The following are subject to seizure and forfeiture and no
17 property right exists in them:

18 (a) All controlled substances which have been manufactured,
19 distributed, dispensed, acquired, or possessed in violation of this
20 chapter or chapter 69.41 or 69.52 RCW, and all hazardous chemicals,
21 as defined in RCW 64.44.010, used or intended to be used in the
22 manufacture of controlled substances;

23 (b) All raw materials, products, and equipment of any kind which
24 are used, or intended for use, in manufacturing, compounding,
25 processing, delivering, importing, or exporting any controlled
26 substance in violation of this chapter or chapter 69.41 or 69.52 RCW;

27 (c) All property which is used, or intended for use, as a
28 container for property described in (a) or (b) of this subsection;

29 (d) All conveyances, including aircraft, vehicles, or vessels,
30 which are used, or intended for use, in any manner to facilitate the
31 sale, delivery, or receipt of property described in (a) or (b) of
32 this subsection, except that:

33 (i) No conveyance used by any person as a common carrier in the
34 transaction of business as a common carrier is subject to forfeiture
35 under this section unless it appears that the owner or other person
36 in charge of the conveyance is a consenting party or privy to a
37 violation of this chapter or chapter 69.41 or 69.52 RCW;

38 (ii) No conveyance is subject to forfeiture under this section by
39 reason of any act or omission established by the owner thereof to

1 have been committed or omitted without the owner's knowledge or
2 consent;

3 (iii) No conveyance is subject to forfeiture under this section
4 if used in the receipt of only an amount of (~~marijuana~~) cannabis
5 for which possession constitutes a misdemeanor under RCW 69.50.4014;

6 (iv) A forfeiture of a conveyance encumbered by a bona fide
7 security interest is subject to the interest of the secured party if
8 the secured party neither had knowledge of nor consented to the act
9 or omission; and

10 (v) When the owner of a conveyance has been arrested under this
11 chapter or chapter 69.41 or 69.52 RCW the conveyance in which the
12 person is arrested may not be subject to forfeiture unless it is
13 seized or process is issued for its seizure within ten days of the
14 owner's arrest;

15 (e) All books, records, and research products and materials,
16 including formulas, microfilm, tapes, and data which are used, or
17 intended for use, in violation of this chapter or chapter 69.41 or
18 69.52 RCW;

19 (f) All drug paraphernalia(~~21~~) other than paraphernalia
20 possessed, sold, or used solely to facilitate (~~marijuana-related~~)
21 cannabis-related activities that are not violations of this chapter;

22 (g) All moneys, negotiable instruments, securities, or other
23 tangible or intangible property of value furnished or intended to be
24 furnished by any person in exchange for a controlled substance in
25 violation of this chapter or chapter 69.41 or 69.52 RCW, all tangible
26 or intangible personal property, proceeds, or assets 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 and all moneys, negotiable instruments, and securities used or
30 intended to be used to facilitate any violation of this chapter or
31 chapter 69.41 or 69.52 RCW. A forfeiture of money, negotiable
32 instruments, securities, or other tangible or intangible property
33 encumbered by a bona fide security interest is subject to the
34 interest of the secured party if, at the time the security interest
35 was created, the secured party neither had knowledge of nor consented
36 to the act or omission. No personal property may be forfeited under
37 this subsection (1)(g), to the extent of the interest of an owner, by
38 reason of any act or omission which that owner establishes was
39 committed or omitted without the owner's knowledge or consent; and

1 (h) All real property, including any right, title, and interest
2 in the whole of any lot or tract of land, and any appurtenances or
3 improvements which are being used with the knowledge of the owner for
4 the manufacturing, compounding, processing, delivery, importing, or
5 exporting of any controlled substance, or which have been acquired in
6 whole or in part with proceeds traceable to an exchange or series of
7 exchanges in violation of this chapter or chapter 69.41 or 69.52 RCW,
8 if such activity is not less than a class C felony and a substantial
9 nexus exists between the commercial production or sale of the
10 controlled substance and the real property. However:

11 (i) No property may be forfeited pursuant to this subsection
12 (1)(h), to the extent of the interest of an owner, by reason of any
13 act or omission committed or omitted without the owner's knowledge or
14 consent;

15 (ii) The bona fide gift of a controlled substance, legend drug,
16 or imitation controlled substance shall not result in the forfeiture
17 of real property;

18 (iii) The possession of ((~~marijuana~~)) cannabis shall not result
19 in the forfeiture of real property unless the ((~~marijuana~~)) cannabis
20 is possessed for commercial purposes that are unlawful under
21 Washington state law, the amount possessed is five or more plants or
22 one pound or more of ((~~marijuana~~)) cannabis, and a substantial nexus
23 exists between the possession of ((~~marijuana~~)) cannabis and the real
24 property. In such a case, the intent of the offender shall be
25 determined by the preponderance of the evidence, including the
26 offender's prior criminal history, the amount of ((~~marijuana~~))
27 cannabis possessed by the offender, the sophistication of the
28 activity or equipment used by the offender, whether the offender was
29 licensed to produce, process, or sell ((~~marijuana~~)) cannabis, or was
30 an employee of a licensed producer, processor, or retailer, and other
31 evidence which demonstrates the offender's intent to engage in
32 unlawful commercial activity;

33 (iv) The unlawful sale of ((~~marijuana~~)) cannabis or a legend drug
34 shall not result in the forfeiture of real property unless the sale
35 was forty grams or more in the case of ((~~marijuana~~)) cannabis or one
36 hundred dollars or more in the case of a legend drug, and a
37 substantial nexus exists between the unlawful sale and the real
38 property; and

39 (v) A forfeiture of real property encumbered by a bona fide
40 security interest is subject to the interest of the secured party if

1 the secured party, at the time the security interest was created,
2 neither had knowledge of nor consented to the act or omission.

3 (2) Real or personal property subject to forfeiture under this
4 chapter may be seized by any ((~~board~~)) commission inspector or law
5 enforcement officer of this state upon process issued by any superior
6 court having jurisdiction over the property. Seizure of real property
7 shall include the filing of a lis pendens by the seizing agency. Real
8 property seized under this section shall not be transferred or
9 otherwise conveyed until ninety days after seizure or until a
10 judgment of forfeiture is entered, whichever is later: PROVIDED, That
11 real property seized under this section may be transferred or
12 conveyed to any person or entity who acquires title by foreclosure or
13 deed in lieu of foreclosure of a security interest. Seizure of
14 personal property without process may be made if:

15 (a) The seizure is incident to an arrest or a search under a
16 search warrant or an inspection under an administrative inspection
17 warrant;

18 (b) The property subject to seizure has been the subject of a
19 prior judgment in favor of the state in a criminal injunction or
20 forfeiture proceeding based upon this chapter;

21 (c) A ((~~board~~)) commission inspector or law enforcement officer
22 has probable cause to believe that the property is directly or
23 indirectly dangerous to health or safety; or

24 (d) The ((~~board~~)) commission inspector or law enforcement officer
25 has probable cause to believe that the property was used or is
26 intended to be used in violation of this chapter.

27 (3) In the event of seizure pursuant to subsection (2) of this
28 section, proceedings for forfeiture shall be deemed commenced by the
29 seizure. The law enforcement agency under whose authority the seizure
30 was made shall cause notice to be served within fifteen days
31 following the seizure on the owner of the property seized and the
32 person in charge thereof and any person having any known right or
33 interest therein, including any community property interest, of the
34 seizure and intended forfeiture of the seized property. Service of
35 notice of seizure of real property shall be made according to the
36 rules of civil procedure. However, the state may not obtain a default
37 judgment with respect to real property against a party who is served
38 by substituted service absent an affidavit stating that a good faith
39 effort has been made to ascertain if the defaulted party is
40 incarcerated within the state, and that there is no present basis to

1 believe that the party is incarcerated within the state. Notice of
2 seizure in the case of property subject to a security interest that
3 has been perfected by filing a financing statement in accordance with
4 chapter 62A.9A RCW, or a certificate of title, shall be made by
5 service upon the secured party or the secured party's assignee at the
6 address shown on the financing statement or the certificate of title.
7 The notice of seizure in other cases may be served by any method
8 authorized by law or court rule including but not limited to service
9 by certified mail with return receipt requested. Service by mail
10 shall be deemed complete upon mailing within the fifteen day period
11 following the seizure.

12 (4) If no person notifies the seizing law enforcement agency in
13 writing of the person's claim of ownership or right to possession of
14 items specified in subsection (1)(d), (g), or (h) of this section
15 within forty-five days of the service of notice from the seizing
16 agency in the case of personal property and ninety days in the case
17 of real property, the item seized shall be deemed forfeited. The
18 community property interest in real property of a person whose spouse
19 or domestic partner committed a violation giving rise to seizure of
20 the real property may not be forfeited if the person did not
21 participate in the violation.

22 (5) If any person notifies the seizing law enforcement agency in
23 writing of the person's claim of ownership or right to possession of
24 items specified in subsection (1)(b), (c), (d), (e), (f), (g), or (h)
25 of this section within forty-five days of the service of notice from
26 the seizing agency in the case of personal property and ninety days
27 in the case of real property, the person or persons shall be afforded
28 a reasonable opportunity to be heard as to the claim or right. The
29 notice of claim may be served by any method authorized by law or
30 court rule including, but not limited to, service by first-class
31 mail. Service by mail shall be deemed complete upon mailing within
32 the forty-five day period following service of the notice of seizure
33 in the case of personal property and within the ninety-day period
34 following service of the notice of seizure in the case of real
35 property. The hearing shall be before the chief law enforcement
36 officer of the seizing agency or the chief law enforcement officer's
37 designee, except where the seizing agency is a state agency as
38 defined in RCW 34.12.020(4), the hearing shall be before the chief
39 law enforcement officer of the seizing agency or an administrative
40 law judge appointed under chapter 34.12 RCW, except that any person

1 asserting a claim or right may remove the matter to a court of
2 competent jurisdiction. Removal of any matter involving personal
3 property may only be accomplished according to the rules of civil
4 procedure. The person seeking removal of the matter must serve
5 process against the state, county, political subdivision, or
6 municipality that operates the seizing agency, and any other party of
7 interest, in accordance with RCW 4.28.080 or 4.92.020, within forty-
8 five days after the person seeking removal has notified the seizing
9 law enforcement agency of the person's claim of ownership or right to
10 possession. The court to which the matter is to be removed shall be
11 the district court when the aggregate value of personal property is
12 within the jurisdictional limit set forth in RCW 3.66.020. A hearing
13 before the seizing agency and any appeal therefrom shall be under
14 Title 34 RCW. In all cases, the burden of proof is upon the law
15 enforcement agency to establish, by a preponderance of the evidence,
16 that the property is subject to forfeiture.

17 The seizing law enforcement agency shall promptly return the
18 article or articles to the claimant upon a determination by the
19 administrative law judge or court that the claimant is the present
20 lawful owner or is lawfully entitled to possession thereof of items
21 specified in subsection (1)(b), (c), (d), (e), (f), (g), or (h) of
22 this section.

23 (6) In any proceeding to forfeit property under this title, where
24 the claimant substantially prevails, the claimant is entitled to
25 reasonable attorneys' fees reasonably incurred by the claimant. In
26 addition, in a court hearing between two or more claimants to the
27 article or articles involved, the prevailing party is entitled to a
28 judgment for costs and reasonable attorneys' fees.

29 (7) When property is forfeited under this chapter the ((board))
30 commission or seizing law enforcement agency may:

31 (a) Retain it for official use or upon application by any law
32 enforcement agency of this state release such property to such agency
33 for the exclusive use of enforcing the provisions of this chapter;

34 (b) Sell that which is not required to be destroyed by law and
35 which is not harmful to the public;

36 (c) Request the appropriate sheriff or director of public safety
37 to take custody of the property and remove it for disposition in
38 accordance with law; or

39 (d) Forward it to the drug enforcement administration for
40 disposition.

1 (8) (a) When property is forfeited, the seizing agency shall keep
2 a record indicating the identity of the prior owner, if known, a
3 description of the property, the disposition of the property, the
4 value of the property at the time of seizure, and the amount of
5 proceeds realized from disposition of the property.

6 (b) Each seizing agency shall retain records of forfeited
7 property for at least seven years.

8 (c) Each seizing agency shall file a report including a copy of
9 the records of forfeited property with the state treasurer each
10 calendar quarter.

11 (d) The quarterly report need not include a record of forfeited
12 property that is still being held for use as evidence during the
13 investigation or prosecution of a case or during the appeal from a
14 conviction.

15 (9) (a) By January 31st of each year, each seizing agency shall
16 remit to the state treasurer an amount equal to ten percent of the
17 net proceeds of any property forfeited during the preceding calendar
18 year. Money remitted shall be deposited in the state general fund.

19 (b) The net proceeds of forfeited property is the value of the
20 forfeitable interest in the property after deducting the cost of
21 satisfying any bona fide security interest to which the property is
22 subject at the time of seizure; and in the case of sold property,
23 after deducting the cost of sale, including reasonable fees or
24 commissions paid to independent selling agents, and the cost of any
25 valid landlord's claim for damages under subsection (15) of this
26 section.

27 (c) The value of sold forfeited property is the sale price. The
28 value of retained forfeited property is the fair market value of the
29 property at the time of seizure, determined when possible by
30 reference to an applicable commonly used index, such as the index
31 used by the department of licensing for valuation of motor vehicles.
32 A seizing agency may use, but need not use, an independent qualified
33 appraiser to determine the value of retained property. If an
34 appraiser is used, the value of the property appraised is net of the
35 cost of the appraisal. The value of destroyed property and retained
36 firearms or illegal property is zero.

37 (10) Forfeited property and net proceeds not required to be paid
38 to the state treasurer shall be retained by the seizing law
39 enforcement agency exclusively for the expansion and improvement of
40 controlled substances related law enforcement activity. Money

1 retained under this section may not be used to supplant preexisting
2 funding sources.

3 (11) Controlled substances listed in Schedule I, II, III, IV, and
4 V that are possessed, transferred, sold, or offered for sale in
5 violation of this chapter are contraband and shall be seized and
6 summarily forfeited to the state. Controlled substances listed in
7 Schedule I, II, III, IV, and V, which are seized or come into the
8 possession of the ((~~board~~)) commission, the owners of which are
9 unknown, are contraband and shall be summarily forfeited to the
10 ((~~board~~)) commission.

11 (12) Species of plants from which controlled substances in
12 Schedules I and II may be derived which have been planted or
13 cultivated in violation of this chapter, or of which the owners or
14 cultivators are unknown, or which are wild growths, may be seized and
15 summarily forfeited to the ((~~board~~)) commission.

16 (13) The failure, upon demand by a ((~~board~~)) commission inspector
17 or law enforcement officer, of the person in occupancy or in control
18 of land or premises upon which the species of plants are growing or
19 being stored to produce an appropriate registration or proof that he
20 or she is the holder thereof constitutes authority for the seizure
21 and forfeiture of the plants.

22 (14) Upon the entry of an order of forfeiture of real property,
23 the court shall forward a copy of the order to the assessor of the
24 county in which the property is located. Orders for the forfeiture of
25 real property shall be entered by the superior court, subject to
26 court rules. Such an order shall be filed by the seizing agency in
27 the county auditor's records in the county in which the real property
28 is located.

29 (15)(a) A landlord may assert a claim against proceeds from the
30 sale of assets seized and forfeited under subsection (7)(b) of this
31 section, only if:

32 (i) A law enforcement officer, while acting in his or her
33 official capacity, directly caused damage to the complaining
34 landlord's property while executing a search of a tenant's residence;
35 and

36 (ii) The landlord has applied any funds remaining in the tenant's
37 deposit, to which the landlord has a right under chapter 59.18 RCW,
38 to cover the damage directly caused by a law enforcement officer
39 prior to asserting a claim under the provisions of this section;

1 (A) Only if the funds applied under (a)(ii) of this subsection
2 are insufficient to satisfy the damage directly caused by a law
3 enforcement officer, may the landlord seek compensation for the
4 damage by filing a claim against the governmental entity under whose
5 authority the law enforcement agency operates within thirty days
6 after the search;

7 (B) Only if the governmental entity denies or fails to respond to
8 the landlord's claim within sixty days of the date of filing, may the
9 landlord collect damages under this subsection by filing within
10 thirty days of denial or the expiration of the sixty-day period,
11 whichever occurs first, a claim with the seizing law enforcement
12 agency. The seizing law enforcement agency must notify the landlord
13 of the status of the claim by the end of the thirty-day period.
14 Nothing in this section requires the claim to be paid by the end of
15 the sixty-day or thirty-day period.

16 (b) For any claim filed under (a)(ii) of this subsection, the law
17 enforcement agency shall pay the claim unless the agency provides
18 substantial proof that the landlord either:

19 (i) Knew or consented to actions of the tenant in violation of
20 this chapter or chapter 69.41 or 69.52 RCW; or

21 (ii) Failed to respond to a notification of the illegal activity,
22 provided by a law enforcement agency under RCW 59.18.075, within
23 seven days of receipt of notification of the illegal activity.

24 (16) The landlord's claim for damages under subsection (15) of
25 this section may not include a claim for loss of business and is
26 limited to:

27 (a) Damage to tangible property and clean-up costs;

28 (b) The lesser of the cost of repair or fair market value of the
29 damage directly caused by a law enforcement officer;

30 (c) The proceeds from the sale of the specific tenant's property
31 seized and forfeited under subsection (7)(b) of this section; and

32 (d) The proceeds available after the seizing law enforcement
33 agency satisfies any bona fide security interest in the tenant's
34 property and costs related to sale of the tenant's property as
35 provided by subsection (9)(b) of this section.

36 (17) Subsections (15) and (16) of this section do not limit any
37 other rights a landlord may have against a tenant to collect for
38 damages. However, if a law enforcement agency satisfies a landlord's
39 claim under subsection (15) of this section, the rights the landlord
40 has against the tenant for damages directly caused by a law

1 enforcement officer under the terms of the landlord and tenant's
2 contract are subrogated to the law enforcement agency.

3 **Sec. 99.** RCW 69.50.515 and 2013 c 133 s 1 are each amended to
4 read as follows:

5 (1) Upon finding one ounce or less of (~~marijuana~~) cannabis
6 inadvertently left at a retail store holding a pharmacy license, the
7 store manager or employee must promptly notify the local law
8 enforcement agency. After notification to the local law enforcement
9 agency, the store manager or employee must properly dispose of the
10 (~~marijuana~~) cannabis.

11 (2) For the purposes of this section, "properly dispose" means
12 ensuring that the product is destroyed or rendered incapable of use
13 by another person.

14 **Sec. 100.** RCW 69.50.530 and 2018 c 299 s 909 are each amended to
15 read as follows:

16 The dedicated (~~marijuana~~) cannabis account is created in the
17 state treasury. All moneys received by the (~~state liquor and~~
18 ~~eannabis~~) board, or any employee thereof, from (~~marijuana-related~~)
19 cannabis-related activities must be deposited in the account. Unless
20 otherwise provided in chapter 4, Laws of 2015 2nd sp. sess., all
21 (~~marijuana~~) cannabis excise taxes collected from sales of
22 (~~marijuana~~) cannabis, useable (~~marijuana, marijuana~~) cannabis,
23 cannabis concentrates, and (~~marijuana-infused~~) cannabis-infused
24 products under RCW 69.50.535, and the license fees, penalties, and
25 forfeitures derived under this chapter from (~~marijuana~~) cannabis
26 producer, (~~marijuana~~) cannabis processor, (~~marijuana~~) cannabis
27 researcher, and (~~marijuana~~) cannabis retailer licenses, must be
28 deposited in the account. Moneys in the account may only be spent
29 after appropriation. During the 2015-2017 and 2017-2019 fiscal
30 biennia, the legislature may transfer from the dedicated
31 (~~marijuana~~) cannabis account to the basic health plan trust account
32 such amounts as reflect the excess fund balance of the account.

33 **Sec. 101.** RCW 69.50.535 and 2015 2nd sp.s. c 4 s 205 are each
34 amended to read as follows:

35 (1)(a) There is levied and collected a (~~marijuana~~) cannabis
36 excise tax equal to thirty-seven percent of the selling price on each
37 retail sale in this state of (~~marijuana~~) cannabis concentrates,

1 useable (~~(marijuana, and marijuana-infused)~~) cannabis, and cannabis-
2 infused products. This tax is separate and in addition to general
3 state and local sales and use taxes that apply to retail sales of
4 tangible personal property, and is not part of the total retail price
5 to which general state and local sales and use taxes apply. The tax
6 must be separately itemized from the state and local retail sales tax
7 on the sales receipt provided to the buyer.

8 (b) The tax levied in this section must be reflected in the price
9 list or quoted shelf price in the licensed (~~(marijuana)~~) cannabis
10 retail store and in any advertising that includes prices for all
11 useable (~~(marijuana, marijuana)~~) cannabis, cannabis concentrates, or
12 (~~(marijuana-infused)~~) cannabis-infused products.

13 (2) All revenues collected from the (~~(marijuana)~~) cannabis excise
14 tax imposed under this section must be deposited each day in the
15 dedicated (~~(marijuana)~~) cannabis account.

16 (3) The tax imposed in this section must be paid by the buyer to
17 the seller. Each seller must collect from the buyer the full amount
18 of the tax payable on each taxable sale. The tax collected as
19 required by this section is deemed to be held in trust by the seller
20 until paid to the board. If any seller fails to collect the tax
21 imposed in this section or, having collected the tax, fails to pay it
22 as prescribed by the board, whether such failure is the result of the
23 seller's own acts or the result of acts or conditions beyond the
24 seller's control, the seller is, nevertheless, personally liable to
25 the state for the amount of the tax.

26 (4) The definitions in this subsection apply throughout this
27 section unless the context clearly requires otherwise.

28 (a) "Board" means the state liquor and cannabis board.

29 (b) "Retail sale" has the same meaning as in RCW 82.08.010.

30 (c) "Selling price" has the same meaning as in RCW 82.08.010,
31 except that when product is sold under circumstances where the total
32 amount of consideration paid for the product is not indicative of its
33 true value, "selling price" means the true value of the product sold.

34 (d) "Product" means (~~(marijuana, marijuana)~~) cannabis, cannabis
35 concentrates, useable (~~(marijuana, and marijuana-infused)~~) cannabis,
36 and cannabis-infused products.

37 (e) "True value" means market value based on sales at comparable
38 locations in this state of the same or similar product of like
39 quality and character sold under comparable conditions of sale to
40 comparable purchasers. However, in the absence of such sales of the

1 same or similar product, true value means the value of the product
2 sold as determined by all of the seller's direct and indirect costs
3 attributable to the product.

4 (5) (a) The board must regularly review the tax level established
5 under this section and make recommendations, in consultation with the
6 department of revenue, to the legislature as appropriate regarding
7 adjustments that would further the goal of discouraging use while
8 undercutting illegal market prices.

9 (b) The (~~state liquor and cannabis~~) board must report, in
10 compliance with RCW 43.01.036, to the appropriate committees of the
11 legislature every two years. The report at a minimum must include the
12 following:

13 (i) The specific recommendations required under (a) of this
14 subsection;

15 (ii) A comparison of gross sales and tax collections prior to and
16 after any (~~marijuana~~) cannabis tax change;

17 (iii) The increase or decrease in the volume of legal
18 (~~marijuana~~) cannabis sold prior to and after any (~~marijuana~~)
19 cannabis tax change;

20 (iv) Increases or decreases in the number of licensed
21 (~~marijuana~~) cannabis producers, processors, and retailers;

22 (v) The number of illegal and noncompliant (~~marijuana~~) cannabis
23 outlets the board requires to be closed;

24 (vi) Gross (~~marijuana~~) cannabis sales and tax collections in
25 Oregon; and

26 (vii) The total amount of reported sales and use taxes exempted
27 for qualifying patients. The department of revenue must provide the
28 data of exempt amounts to the board.

29 (c) The board is not required to report to the legislature as
30 required in (b) of this subsection after January 1, 2025.

31 (6) The legislature does not intend and does not authorize any
32 person or entity to engage in activities or to conspire to engage in
33 activities that would constitute per se violations of state and
34 federal antitrust laws including, but not limited to, agreements
35 among retailers as to the selling price of any goods sold.

36 **Sec. 102.** RCW 69.50.540 and 2021 c 334 s 986 are each amended to
37 read as follows:

38 The legislature must annually appropriate moneys in the dedicated
39 (~~marijuana~~) cannabis account created in RCW 69.50.530 as follows:

1 (1) For the purposes listed in this subsection (1), the
2 legislature must appropriate to the respective agencies amounts
3 sufficient to make the following expenditures on a quarterly basis or
4 as provided in this subsection:

5 (a) One hundred twenty-five thousand dollars to the health care
6 authority to design and administer the Washington state healthy youth
7 survey, analyze the collected data, and produce reports, in
8 collaboration with the office of the superintendent of public
9 instruction, department of health, department of commerce, family
10 policy council, and board. The survey must be conducted at least
11 every two years and include questions regarding, but not necessarily
12 limited to, academic achievement, age at time of substance use
13 initiation, antisocial behavior of friends, attitudes toward
14 antisocial behavior, attitudes toward substance use, laws and
15 community norms regarding antisocial behavior, family conflict,
16 family management, parental attitudes toward substance use, peer
17 rewarding of antisocial behavior, perceived risk of substance use,
18 and rebelliousness. Funds disbursed under this subsection may be used
19 to expand administration of the healthy youth survey to student
20 populations attending institutions of higher education in Washington;

21 (b) Fifty thousand dollars to the health care authority for the
22 purpose of contracting with the Washington state institute for public
23 policy to conduct the cost-benefit evaluation and produce the reports
24 described in RCW 69.50.550. This appropriation ends after production
25 of the final report required by RCW 69.50.550;

26 (c) Five thousand dollars to the University of Washington alcohol
27 and drug abuse institute for the creation, maintenance, and timely
28 updating of web-based public education materials providing medically
29 and scientifically accurate information about the health and safety
30 risks posed by (~~marijuana~~) cannabis use;

31 (d) (i) An amount not less than one million two hundred fifty
32 thousand dollars to the board for administration of this chapter as
33 appropriated in the omnibus appropriations act;

34 (ii) One million three hundred twenty-three thousand dollars for
35 fiscal year 2020 to the health professions account established under
36 RCW 43.70.320 for the development and administration of the
37 (~~marijuana~~) cannabis authorization database by the department of
38 health;

39 (iii) Two million four hundred fifty-three thousand dollars for
40 fiscal year 2020 and two million four hundred twenty-three thousand

1 dollars for fiscal years 2021, 2022, and 2023 to the Washington state
2 patrol for a drug enforcement task force. It is the intent of the
3 legislature that this policy will be continued in the 2021-2023
4 fiscal biennium; and

5 (iv) Ninety-eight thousand dollars for fiscal year 2019 to the
6 department of ecology for research on accreditation of ((~~marijuana~~))
7 cannabis product testing laboratories;

8 (e) Four hundred sixty-five thousand dollars for fiscal year
9 2020, four hundred sixty-four thousand dollars for fiscal year 2021,
10 two hundred seventy thousand dollars in fiscal year 2022, and two
11 hundred seventy-six thousand dollars in fiscal year 2023 to the
12 department of ecology for implementation of accreditation of
13 ((~~marijuana~~)) cannabis product testing laboratories;

14 (f) One hundred eighty-nine thousand dollars for fiscal year 2020
15 to the department of health for rule making regarding compassionate
16 care renewals;

17 (g) Eight hundred eight thousand dollars for each of fiscal years
18 2020 through 2023 to the department of health for the administration
19 of the ((~~marijuana~~)) cannabis authorization database;

20 (h) Six hundred thirty-five thousand dollars for fiscal year
21 2020, six hundred thirty-five thousand dollars for fiscal year 2021,
22 six hundred twenty-one thousand dollars for fiscal year 2022, and six
23 hundred twenty-seven thousand dollars for fiscal year 2023 to the
24 department of agriculture for compliance-based laboratory analysis of
25 pesticides in ((~~marijuana~~)) cannabis;

26 (i) One million six hundred fifty thousand dollars for fiscal
27 year 2022 and one million six hundred fifty thousand dollars for
28 fiscal year 2023 to the department of commerce to fund the
29 ((~~marijuana~~)) cannabis social equity technical assistance
30 ((~~competitive~~)) grant program under RCW 43.330.540; and

31 (j) One hundred sixty-three thousand dollars for fiscal year 2022
32 and one hundred fifty-nine thousand dollars for fiscal year 2023 to
33 the department of commerce to establish a roster of mentors as part
34 of the cannabis social equity technical assistance grant program
35 under ((~~Engrossed Substitute House Bill No. 1443 (cannabis industry/
36 equity) [chapter 169, Laws of 2021]~~)) RCW 43.330.540; and

37 (2) From the amounts in the dedicated ((~~marijuana~~)) cannabis
38 account after appropriation of the amounts identified in subsection
39 (1) of this section, the legislature must appropriate for the
40 purposes listed in this subsection (2) as follows:

1 (a) (i) Up to fifteen percent to the health care authority for the
2 development, implementation, maintenance, and evaluation of programs
3 and practices aimed at the prevention or reduction of maladaptive
4 substance use, substance use disorder, substance abuse or substance
5 dependence, as these terms are defined in the Diagnostic and
6 Statistical Manual of Mental Disorders, among middle school and high
7 school-age students, whether as an explicit goal of a given program
8 or practice or as a consistently corresponding effect of its
9 implementation, mental health services for children and youth, and
10 services for pregnant and parenting women; PROVIDED, That:

11 (A) Of the funds appropriated under (a) (i) of this subsection for
12 new programs and new services, at least eighty-five percent must be
13 directed to evidence-based or research-based programs and practices
14 that produce objectively measurable results and, by September 1,
15 2020, are cost-beneficial; and

16 (B) Up to fifteen percent of the funds appropriated under (a) (i)
17 of this subsection for new programs and new services may be directed
18 to proven and tested practices, emerging best practices, or promising
19 practices.

20 (ii) In deciding which programs and practices to fund, the
21 director of the health care authority must consult, at least
22 annually, with the University of Washington's social development
23 research group and the University of Washington's alcohol and drug
24 abuse institute.

25 (iii) For each fiscal year, the legislature must appropriate a
26 minimum of twenty-five million five hundred thirty-six thousand
27 dollars under this subsection (2) (a);

28 (b) (i) Up to ten percent to the department of health for the
29 following, subject to (b) (ii) of this subsection (2):

30 (A) Creation, implementation, operation, and management of a
31 ((~~marijuana~~)) cannabis education and public health program that
32 contains the following:

33 (I) A ((~~marijuana~~)) cannabis use public health hotline that
34 provides referrals to substance abuse treatment providers, utilizes
35 evidence-based or research-based public health approaches to
36 minimizing the harms associated with ((~~marijuana~~)) cannabis use, and
37 does not solely advocate an abstinence-only approach;

38 (II) A grants program for local health departments or other local
39 community agencies that supports development and implementation of

1 coordinated intervention strategies for the prevention and reduction
2 of ((~~marijuana~~)) cannabis use by youth; and

3 (III) Media-based education campaigns across television,
4 internet, radio, print, and out-of-home advertising, separately
5 targeting youth and adults, that provide medically and scientifically
6 accurate information about the health and safety risks posed by
7 ((~~marijuana~~)) cannabis use; and

8 (B) The Washington poison control center.

9 (ii) For each fiscal year, the legislature must appropriate a
10 minimum of nine million seven hundred fifty thousand dollars under
11 this subsection (2)(b);

12 (c)(i) Up to six-tenths of one percent to the University of
13 Washington and four-tenths of one percent to Washington State
14 University for research on the short and long-term effects of
15 ((~~marijuana~~)) cannabis use, to include but not be limited to formal
16 and informal methods for estimating and measuring intoxication and
17 impairment, and for the dissemination of such research.

18 (ii) For each fiscal year, except for the 2019-2021 and 2021-2023
19 fiscal biennia, the legislature must appropriate a minimum of one
20 million twenty-one thousand dollars to the University of Washington.
21 For each fiscal year, except for the 2019-2021 and 2021-2023 fiscal
22 biennia, the legislature must appropriate a minimum of six hundred
23 eighty-one thousand dollars to Washington State University under this
24 subsection (2)(c). It is the intent of the legislature that this
25 policy will be continued in the 2023-2025 fiscal biennium;

26 (d) Fifty percent to the state basic health plan trust account to
27 be administered by the Washington basic health plan administrator and
28 used as provided under chapter 70.47 RCW;

29 (e) Five percent to the Washington state health care authority to
30 be expended exclusively through contracts with community health
31 centers to provide primary health and dental care services, migrant
32 health services, and maternity health care services as provided under
33 RCW 41.05.220;

34 (f)(i) Up to three-tenths of one percent to the office of the
35 superintendent of public instruction to fund grants to building
36 bridges programs under chapter 28A.175 RCW.

37 (ii) For each fiscal year, the legislature must appropriate a
38 minimum of five hundred eleven thousand dollars to the office of the
39 superintendent of public instruction under this subsection (2)(f);
40 and

1 (g) At the end of each fiscal year, the treasurer must transfer
2 any amounts in the dedicated ((~~marijuana~~)) cannabis account that are
3 not appropriated pursuant to subsection (1) of this section and this
4 subsection (2) into the general fund, except as provided in (g)(i) of
5 this subsection (2).

6 (i) Beginning in fiscal year 2018, if ((~~marijuana~~)) cannabis
7 excise tax collections deposited into the general fund in the prior
8 fiscal year exceed twenty-five million dollars, then each fiscal year
9 the legislature must appropriate an amount equal to thirty percent of
10 all ((~~marijuana~~)) cannabis excise taxes deposited into the general
11 fund the prior fiscal year to the treasurer for distribution to
12 counties, cities, and towns as follows:

13 (A) Thirty percent must be distributed to counties, cities, and
14 towns where licensed ((~~marijuana~~)) cannabis retailers are physically
15 located. Each jurisdiction must receive a share of the revenue
16 distribution under this subsection (2)(g)(i)(A) based on the
17 proportional share of the total revenues generated in the individual
18 jurisdiction from the taxes collected under RCW 69.50.535, from
19 licensed ((~~marijuana~~)) cannabis retailers physically located in each
20 jurisdiction. For purposes of this subsection (2)(g)(i)(A), one
21 hundred percent of the proportional amount attributed to a retailer
22 physically located in a city or town must be distributed to the city
23 or town.

24 (B) Seventy percent must be distributed to counties, cities, and
25 towns ratably on a per capita basis. Counties must receive sixty
26 percent of the distribution, which must be disbursed based on each
27 county's total proportional population. Funds may only be distributed
28 to jurisdictions that do not prohibit the siting of any state
29 licensed ((~~marijuana~~)) cannabis producer, processor, or retailer.

30 (ii) Distribution amounts allocated to each county, city, and
31 town must be distributed in four installments by the last day of each
32 fiscal quarter.

33 (iii) By September 15th of each year, the board must provide the
34 state treasurer the annual distribution amount, if any, for each
35 county and city as determined in (g)(i) of this subsection (2).

36 (iv) The total share of ((~~marijuana~~)) cannabis excise tax
37 revenues distributed to counties and cities in (g)(i) of this
38 subsection (2) may not exceed fifteen million dollars in fiscal years
39 2018, 2019, 2020, and 2021, and twenty million dollars per fiscal
40 year thereafter.

1 **Sec. 103.** RCW 69.50.550 and 2013 c 3 s 30 are each amended to
2 read as follows:

3 (1) The Washington state institute for public policy shall
4 conduct cost-benefit evaluations of the implementation of chapter 3,
5 Laws of 2013. A preliminary report, and recommendations to
6 appropriate committees of the legislature, shall be made by September
7 1, 2015, and the first final report with recommendations by September
8 1, 2017. Subsequent reports shall be due September 1, 2022, and
9 September 1, 2032.

10 (2) The evaluation of the implementation of chapter 3, Laws of
11 2013 shall include, but not necessarily be limited to, consideration
12 of the following factors:

13 (a) Public health, to include but not be limited to:

14 (i) Health costs associated with (~~marijuana~~) cannabis use;

15 (ii) Health costs associated with criminal prohibition of
16 (~~marijuana~~) cannabis, including lack of product safety or quality
17 control regulations and the relegation of (~~marijuana~~) cannabis to
18 the same illegal market as potentially more dangerous substances; and

19 (iii) The impact of increased investment in the research,
20 evaluation, education, prevention and intervention programs,
21 practices, and campaigns identified in RCW 69.50.363 on rates of
22 (~~marijuana-related~~) cannabis-related maladaptive substance use and
23 diagnosis of (~~marijuana-related~~) cannabis-related substance use
24 disorder, substance abuse, or substance dependence, as these terms
25 are defined in the Diagnostic and Statistical Manual of Mental
26 Disorders;

27 (b) Public safety, to include but not be limited to:

28 (i) Public safety issues relating to (~~marijuana~~) cannabis use;

29 and

30 (ii) Public safety issues relating to criminal prohibition of
31 (~~marijuana~~) cannabis;

32 (c) Youth and adult rates of the following:

33 (i) (~~Marijuana~~) Cannabis use;

34 (ii) Maladaptive use of (~~marijuana~~) cannabis; and

35 (iii) Diagnosis of (~~marijuana-related~~) cannabis-related
36 substance use disorder, substance abuse, or substance dependence,
37 including primary, secondary, and tertiary choices of substance;

38 (d) Economic impacts in the private and public sectors, including
39 but not limited to:

40 (i) Jobs creation;

- 1 (ii) Workplace safety;
- 2 (iii) Revenues; and
- 3 (iv) Taxes generated for state and local budgets;
- 4 (e) Criminal justice impacts, to include but not be limited to:
- 5 (i) Use of public resources like law enforcement officers and
- 6 equipment, prosecuting attorneys and public defenders, judges and
- 7 court staff, the Washington state patrol crime lab and identification
- 8 and criminal history section, jails and prisons, and misdemeanor and
- 9 felon supervision officers to enforce state criminal laws regarding
- 10 ~~((marijuana))~~ cannabis; and
- 11 (ii) Short and long-term consequences of involvement in the
- 12 criminal justice system for persons accused of crimes relating to
- 13 ~~((marijuana))~~ cannabis, their families, and their communities; and
- 14 (f) State and local agency administrative costs and revenues.

15 **Sec. 104.** RCW 69.50.555 and 2015 c 207 s 3 are each amended to

16 read as follows:

17 The taxes, fees, assessments, and other charges imposed by this

18 chapter do not apply to commercial activities related to the

19 production, processing, sale, and possession of ~~((marijuana))~~

20 cannabis, useable ~~((marijuana, —marijuana))~~ cannabis, cannabis

21 concentrates, and ~~((marijuana-infused))~~ cannabis-infused products

22 covered by an agreement entered into under RCW 43.06.490.

23 **Sec. 105.** RCW 69.50.560 and 2015 c 70 s 33 are each amended to

24 read as follows:

25 (1) The ~~((state liquor and cannabis))~~ board may conduct

26 controlled purchase programs to determine whether:

27 (a) A ~~((marijuana))~~ cannabis retailer is unlawfully selling

28 ~~((marijuana))~~ cannabis to persons under the age of twenty-one;

29 (b) A ~~((marijuana))~~ cannabis retailer holding a medical

30 ~~((marijuana))~~ cannabis endorsement is selling to persons under the

31 age of eighteen or selling to persons between the ages of eighteen

32 and twenty-one who do not hold valid recognition cards; or

33 ~~((Until July 1, 2016, collective gardens under RCW 69.51A.085~~

34 ~~are providing marijuana to persons under the age of twenty-one; or~~

35 ~~(d))~~ A cooperative organized under RCW 69.51A.250 is permitting

36 a person under the age of twenty-one to participate.

1 (2) Every person under the age of twenty-one years who purchases
2 or attempts to purchase ((~~marijuana~~)) cannabis is guilty of a
3 violation of this section. This section does not apply to:

4 (a) Persons between the ages of eighteen and twenty-one who hold
5 valid recognition cards and purchase ((~~marijuana~~)) cannabis at a
6 ((~~marijuana~~)) cannabis retail outlet holding a medical ((~~marijuana~~))
7 cannabis endorsement;

8 (b) Persons between the ages of eighteen and twenty-one years who
9 are participating in a controlled purchase program authorized by the
10 ((~~state liquor and cannabis~~)) board under rules adopted by the board.
11 Violations occurring under a private, controlled purchase program
12 authorized by the ((~~state liquor and cannabis~~)) board may not be used
13 for criminal or administrative prosecution.

14 (3) A ((~~marijuana~~)) cannabis retailer who conducts an in-house
15 controlled purchase program authorized under this section shall
16 provide his or her employees a written description of the employer's
17 in-house controlled purchase program. The written description must
18 include notice of actions an employer may take as a consequence of an
19 employee's failure to comply with company policies regarding the sale
20 of ((~~marijuana~~)) cannabis during an in-house controlled purchase
21 program.

22 (4) An in-house controlled purchase program authorized under this
23 section shall be for the purposes of employee training and employer
24 self-compliance checks. A ((~~marijuana~~)) cannabis retailer may not
25 terminate an employee solely for a first-time failure to comply with
26 company policies regarding the sale of ((~~marijuana~~)) cannabis during
27 an in-house controlled purchase program authorized under this
28 section.

29 (5) Every person between the ages of eighteen and twenty-one who
30 is convicted of a violation of this section is guilty of a
31 misdemeanor punishable as provided by RCW 9A.20.021.

32 **Sec. 106.** RCW 69.50.562 and 2019 c 394 s 6 are each amended to
33 read as follows:

34 (1) The board must prescribe procedures for the following:

35 (a) Issuance of written warnings or notices to correct in lieu of
36 penalties, sanctions, or other violations with respect to regulatory
37 violations that have no direct or immediate relationship to public
38 safety as defined by the board;

1 (b) Waiving any fines, civil penalties, or administrative
2 sanctions for violations, that have no direct or immediate
3 relationship to public safety, and are corrected by the licensee
4 within a reasonable amount of time as designated by the board; and

5 (c) A compliance program in accordance with chapter 43.05 RCW and
6 RCW 69.50.342, whereby licensees may request compliance assistance
7 and inspections without issuance of a penalty, sanction, or other
8 violation provided that any noncompliant issues are resolved within a
9 specified period of time.

10 (2) The board must adopt rules prescribing penalties for
11 violations of this chapter. The board:

12 (a) May establish escalating penalties for violation of this
13 chapter, provided that the cumulative effect of any such escalating
14 penalties cannot last beyond two years and the escalation applies
15 only to multiple violations that are the same or similar in nature;

16 (b) May not include cancellation of a license for a single
17 violation, unless the board can prove by a preponderance of the
18 evidence:

19 (i) Diversion of (~~(marijuana)~~) cannabis product to the illicit
20 market or sales across state lines;

21 (ii) Furnishing of (~~(marijuana)~~) cannabis product to minors;

22 (iii) Diversion of revenue to criminal enterprises, gangs,
23 cartels, or parties not qualified to hold a (~~(marijuana)~~) cannabis
24 license based on criminal history requirements;

25 (iv) The commission of (~~(nonmarijuana-related)~~) noncannabis-
26 related crimes; or

27 (v) Knowingly making a misrepresentation of fact to the board, an
28 officer of the board, or an employee of the board related to conduct
29 or an action that is, or alleged to be, any of the violations
30 identified in (b) (i) through (~~(b)~~) (iv) of this subsection (2);

31 (c) May include cancellation of a license for cumulative
32 violations only if a (~~(marijuana)~~) cannabis licensee commits at least
33 four violations within a two-year period of time;

34 (d) Must consider aggravating and mitigating circumstances and
35 deviate from the prescribed penalties accordingly, and must authorize
36 enforcement officers to do the same, provided that such penalty may
37 not exceed the maximum escalating penalty prescribed by the board for
38 that violation; and

1 (e) Must give substantial consideration to mitigating any penalty
2 imposed on a licensee when there is employee misconduct that led to
3 the violation and the licensee:

4 (i) Established a compliance program designed to prevent the
5 violation;

6 (ii) Performed meaningful training with employees designed to
7 prevent the violation; and

8 (iii) Had not enabled or ignored the violation or other similar
9 violations in the past.

10 (3) The board may not consider any violation that occurred more
11 than two years prior as grounds for denial, suspension, revocation,
12 cancellation, or nonrenewal, unless the board can prove by a
13 preponderance of the evidence that the prior administrative violation
14 evidences:

15 (a) Diversion of (~~marijuana~~) cannabis product to the illicit
16 market or sales across state lines;

17 (b) Furnishing of (~~marijuana~~) cannabis product to minors;

18 (c) Diversion of revenue to criminal enterprises, gangs, cartels,
19 or parties not qualified to hold a (~~marijuana~~) cannabis license
20 based on criminal history requirements;

21 (d) The commission of (~~nonmarijuana-related~~) noncannabis-
22 related crimes; or

23 (e) Knowingly making a misrepresentation of fact to the board, an
24 officer of the board, or an employee of the board related to conduct
25 or an action that is, or is alleged to be, any of the violations
26 identified in (a) through (d) of this subsection (3).

27 **Sec. 107.** RCW 69.50.563 and 2019 c 394 s 3 are each amended to
28 read as follows:

29 (1) The (~~liquor and cannabis~~) board may issue a civil penalty
30 without first issuing a notice of correction if:

31 (a) The licensee has previously been subject to an enforcement
32 action for the same or similar type of violation of the same statute
33 or rule or has been given previous notice of the same or similar type
34 of violation of the same statute or rule;

35 (b) Compliance is not achieved by the date established by the
36 (~~liquor and cannabis~~) board in a previously issued notice of
37 correction and if the board has responded to a request for review of
38 the date by reaffirming the original date or establishing a new date;
39 or

1 (c) The board can prove by a preponderance of the evidence:

2 (i) Diversion of (~~marijuana~~) cannabis product to the illicit
3 market or sales across state lines;

4 (ii) Furnishing of (~~marijuana~~) cannabis product to minors;

5 (iii) Diversion of revenue to criminal enterprises, gangs,
6 cartels, or parties not qualified to hold a (~~marijuana~~) cannabis
7 license based on criminal history requirements;

8 (iv) The commission of (~~nonmarijuana-related~~) noncannabis-
9 related crimes; or

10 (v) Knowingly making a misrepresentation of fact to the board, an
11 officer of the board, or an employee of the board related to conduct
12 or an action that is, or is alleged to be, any of the violations
13 identified in (c)(i) through (~~(e)~~)(iv) of this subsection (1).

14 (2) The (~~liquor and cannabis~~) board may adopt rules to
15 implement this section and RCW 43.05.160.

16 **Sec. 108.** RCW 69.50.564 and 2019 c 394 s 8 are each amended to
17 read as follows:

18 (1) This section applies to the board's issuance of
19 administrative violations to licensed (~~marijuana~~) cannabis
20 producers, processors, retailers, transporters, and researchers, when
21 a settlement conference is held between a hearing officer or designee
22 of the board and the (~~marijuana~~) cannabis licensee that received a
23 notice of an alleged administrative violation or violations.

24 (2) If a settlement agreement is entered between a (~~marijuana~~)
25 cannabis licensee and a hearing officer or designee of the board at
26 or after a settlement conference, the terms of the settlement
27 agreement must be given substantial weight by the board.

28 (3) For the purposes of this section:

29 (a) "Settlement agreement" means the agreement or compromise
30 between a licensed (~~marijuana~~) cannabis producer, processor,
31 retailer, researcher, transporter, or researcher and the hearing
32 officer or designee of the board with authority to participate in the
33 settlement conference, that:

34 (i) Includes the terms of the agreement or compromise regarding
35 an alleged violation or violations by the licensee of this chapter,
36 chapter 69.51A RCW, or rules adopted under either chapter, and any
37 related penalty or licensing restriction; and

38 (ii) Is in writing and signed by the licensee and the hearing
39 officer or designee of the board.

1 (b) "Settlement conference" means a meeting or discussion between
2 a licensed ((~~marijuana~~)) cannabis producer, processor, retailer,
3 researcher, transporter, researcher, or authorized representative of
4 any of the preceding licensees, and a hearing officer or designee of
5 the board, held for purposes such as discussing the circumstances
6 surrounding an alleged violation of law or rules by the licensee, the
7 recommended penalty, and any aggravating or mitigating factors, and
8 that is intended to resolve the alleged violation before an
9 administrative hearing or judicial proceeding is initiated.

10 **Sec. 109.** RCW 69.50.570 and 2015 2nd sp.s. c 4 s 210 are each
11 amended to read as follows:

12 (1)(a) Except as provided in (b) of this subsection, a retail
13 sale of a bundled transaction that includes ((~~marijuana~~)) cannabis
14 product is subject to the tax imposed under RCW 69.50.535 on the
15 entire selling price of the bundled transaction.

16 (b) If the selling price is attributable to products that are
17 taxable and products that are not taxable under RCW 69.50.535, the
18 portion of the price attributable to the nontaxable products are
19 subject to the tax imposed by RCW 69.50.535 unless the seller can
20 identify by reasonable and verifiable standards the portion that is
21 not subject to tax from its books and records that are kept in the
22 regular course of business for other purposes including, but not
23 limited to, nontax purposes.

24 (2) The definitions in this subsection apply throughout this
25 section unless the context clearly requires otherwise.

26 (a) "Bundled transaction" means:

27 (i) The retail sale of two or more products where the products
28 are otherwise distinct and identifiable, are sold for one nonitemized
29 price, and at least one product is a ((~~marijuana~~)) cannabis product
30 subject to the tax under RCW 69.50.535; and

31 (ii) A ((~~marijuana~~)) cannabis product provided free of charge
32 with the required purchase of another product. A ((~~marijuana~~))
33 cannabis product is provided free of charge if the sales price of the
34 product purchased does not vary depending on the inclusion of the
35 ((~~marijuana~~)) cannabis product provided free of charge.

36 (b) "Distinct and identifiable products" does not include
37 packaging such as containers, boxes, sacks, bags, and bottles, or
38 materials such as wrapping, labels, tags, and instruction guides,
39 that accompany the retail sale of the products and are incidental or

1 immaterial to the retail sale thereof. Examples of packaging that are
2 incidental or immaterial include grocery sacks, shoeboxes, and dry
3 cleaning garment bags.

4 (c) (~~("Marijuana")~~) "Cannabis product" means "useable
5 (~~(("marijuana," "marijuana")~~) cannabis," "cannabis concentrates," and
6 (~~("marijuana-infused")~~) "cannabis-infused products" as defined in RCW
7 69.50.101.

8 (d) "Selling price" has the same meaning as in RCW 82.08.010,
9 except that when product is sold under circumstances where the total
10 amount of consideration paid for the product is not indicative of its
11 true value, "selling price" means the true value of the product sold.

12 (e) "True value" means market value based on sales at comparable
13 locations in this state of the same or similar product of like
14 quality and character sold under comparable conditions of sale to
15 comparable purchasers. However, in the absence of such sales of the
16 same or similar product, "true value" means the value of the product
17 sold as determined by all of the seller's direct and indirect costs
18 attributable to the product.

19 **Sec. 110.** RCW 69.50.575 and 2015 2nd sp.s. c 4 s 701 are each
20 amended to read as follows:

21 (1) Cannabis health and beauty aids are not subject to the
22 regulations and penalties of this chapter that apply to (~~(("marijuana,"~~
23 ~~marijuana))~~ cannabis, cannabis concentrates, or (~~(("marijuana-infused")~~
24 cannabis-infused products.

25 (2) For purposes of this section, "cannabis health and beauty
26 aid" means a product containing parts of the cannabis plant and
27 which:

28 (a) Is intended for use only as a topical application to provide
29 therapeutic benefit or to enhance appearance;

30 (b) Contains a THC concentration of not more than 0.3 percent;

31 (c) Does not cross the blood-brain barrier; and

32 (d) Is not intended for ingestion by humans or animals.

33 **Sec. 111.** RCW 69.50.580 and 2015 2nd sp.s. c 4 s 801 are each
34 amended to read as follows:

35 (1) Applicants for a (~~(("marijuana"))~~) cannabis producer's,
36 (~~(("marijuana"))~~) cannabis processor's, (~~(("marijuana"))~~) cannabis
37 researcher's or (~~(("marijuana"))~~) cannabis retailer's license under this
38 chapter must display a sign provided by the (~~(("state liquor and~~

1 ~~cannabis~~) board on the outside of the premises to be licensed
2 notifying the public that the premises are subject to an application
3 for such license. The sign must:

4 (a) Contain text with content sufficient to notify the public of
5 the nature of the pending license application, the date of the
6 application, the name of the applicant, and contact information for
7 the (~~(state liquor and cannabis)~~) board;

8 (b) Be conspicuously displayed on, or immediately adjacent to,
9 the premises subject to the application and in the location that is
10 most likely to be seen by the public;

11 (c) Be of a size sufficient to ensure that it will be readily
12 seen by the public; and

13 (d) Be posted within seven business days of the submission of the
14 application to the (~~(state liquor and cannabis)~~) board.

15 (2) The (~~(state liquor and cannabis)~~) board must adopt such rules
16 as are necessary for the implementation of this section, including
17 rules pertaining to the size of the sign and the text thereon, the
18 textual content of the sign, the fee for providing the sign, and any
19 other requirements necessary to ensure that the sign provides
20 adequate notice to the public.

21 (3)(a) A city, town, or county may adopt an ordinance requiring
22 individual notice by an applicant for a (~~(marijuana)~~) cannabis
23 producer's, (~~(marijuana)~~) cannabis processor's, (~~(marijuana)~~)
24 cannabis researcher's, or (~~(marijuana)~~) cannabis retailer's license
25 under this chapter, sixty days prior to issuance of the license, to
26 any elementary or secondary school, playground, recreation center or
27 facility, child care center, church, public park, public transit
28 center, library, or any game arcade admission to which is not
29 restricted to persons aged twenty-one years or older, that is within
30 one thousand feet of the perimeter of the grounds of the
31 establishment seeking licensure. The notice must provide the contact
32 information for the (~~(liquor and cannabis)~~) board where any of the
33 owners or operators of these entities may submit comments or concerns
34 about the proposed business location.

35 (b) For the purposes of this subsection, "church" means a
36 building erected for and used exclusively for religious worship and
37 schooling or other activity in connection therewith.

38 **Sec. 112.** RCW 69.51.020 and 1979 c 136 s 2 are each amended to
39 read as follows:

1 The legislature finds that recent research has shown that the use
2 of (~~marijuana~~) cannabis may alleviate the nausea and ill effects of
3 cancer chemotherapy and radiology, and, additionally, may alleviate
4 the ill effects of glaucoma. The legislature further finds that there
5 is a need for further research and experimentation regarding the use
6 of (~~marijuana~~) cannabis under strictly controlled circumstances. It
7 is for this purpose that the controlled substances therapeutic
8 research act is hereby enacted.

9 **Sec. 113.** RCW 69.51.030 and 2013 c 19 s 113 are each amended to
10 read as follows:

11 As used in this chapter:

- 12 (1) "Commission" means the pharmacy quality assurance commission;
- 13 (2) "Department" means the department of health;
- 14 (3) (~~"Marijuana"~~) "Cannabis" means all parts of the plant of
15 the genus Cannabis L., whether growing or not, the seeds thereof, the
16 resin extracted from any part of the plant, and every compound,
17 manufacture, salt, derivative, mixture, or preparation of the plant,
18 its seeds, or resin; and
- 19 (4) "Practitioner" means a physician licensed pursuant to chapter
20 18.71 or 18.57 RCW.

21 **Sec. 114.** RCW 69.51.060 and 2013 c 19 s 116 are each amended to
22 read as follows:

23 (1) The commission shall obtain (~~marijuana~~) cannabis through
24 whatever means it deems most appropriate and consistent with
25 regulations promulgated by the United States food and drug
26 administration, the drug enforcement agency, and the national
27 institute on drug abuse, and pursuant to the provisions of this
28 chapter.

29 (2) The commission may use (~~marijuana~~) cannabis which has been
30 confiscated by local or state law enforcement agencies and has been
31 determined to be free from contamination.

32 (3) The commission shall distribute the analyzed (~~marijuana~~)
33 cannabis to approved practitioners and/or institutions in accordance
34 with rules promulgated by the commission.

35 **Sec. 115.** RCW 69.51A.005 and 2015 c 70 s 16 are each amended to
36 read as follows:

- 37 (1) The legislature finds that:

1 (a) There is medical evidence that some patients with terminal or
2 debilitating medical conditions may, under their health care
3 professional's care, benefit from the medical use of ((~~marijuana~~))
4 cannabis. Some of the conditions for which ((~~marijuana~~)) cannabis
5 appears to be beneficial include, but are not limited to:

6 (i) Nausea, vomiting, and cachexia associated with cancer, HIV-
7 positive status, AIDS, hepatitis C, anorexia, and their treatments;

8 (ii) Severe muscle spasms associated with multiple sclerosis,
9 epilepsy, and other seizure and spasticity disorders;

10 (iii) Acute or chronic glaucoma;

11 (iv) Crohn's disease; and

12 (v) Some forms of intractable pain.

13 (b) Humanitarian compassion necessitates that the decision to use
14 ((~~marijuana~~)) cannabis by patients with terminal or debilitating
15 medical conditions is a personal, individual decision, based upon
16 their health care professional's professional medical judgment and
17 discretion.

18 (2) Therefore, the legislature intends that, so long as such
19 activities are in strict compliance with this chapter:

20 (a) Qualifying patients with terminal or debilitating medical
21 conditions who, in the judgment of their health care professionals,
22 may benefit from the medical use of ((~~marijuana~~)) cannabis, shall not
23 be arrested, prosecuted, or subject to other criminal sanctions or
24 civil consequences under state law based solely on their medical use
25 of ((~~marijuana~~)) cannabis, notwithstanding any other provision of
26 law;

27 (b) Persons who act as designated providers to such patients
28 shall also not be arrested, prosecuted, or subject to other criminal
29 sanctions or civil consequences under state law, notwithstanding any
30 other provision of law, based solely on their assisting with the
31 medical use of ((~~marijuana~~)) cannabis; and

32 (c) Health care professionals shall also not be arrested,
33 prosecuted, or subject to other criminal sanctions or civil
34 consequences under state law for the proper authorization of medical
35 use of ((~~marijuana~~)) cannabis by qualifying patients for whom, in the
36 health care professional's professional judgment, the medical use of
37 ((~~marijuana~~)) cannabis may prove beneficial.

38 (3) Nothing in this chapter establishes the medical necessity or
39 medical appropriateness of ((~~marijuana~~)) cannabis for treating

1 terminal or debilitating medical conditions as defined in RCW
2 69.51A.010.

3 (4) Nothing in this chapter diminishes the authority of
4 correctional agencies and departments, including local governments or
5 jails, to establish a procedure for determining when the use of
6 ~~((marijuana))~~ cannabis would impact community safety or the effective
7 supervision of those on active supervision for a criminal conviction,
8 nor does it create the right to any accommodation of any medical use
9 of ~~((marijuana))~~ cannabis in any correctional facility or jail.

10 **Sec. 116.** RCW 69.51A.010 and 2020 c 80 s 44 are each amended to
11 read as follows:

12 The definitions in this section apply throughout this chapter
13 unless the context clearly requires otherwise.

14 (1) (a) ~~((Until July 1, 2016, "authorization" means:~~

15 ~~(i) A statement signed and dated by a qualifying patient's health
16 care professional written on tamper-resistant paper, which states
17 that, in the health care professional's professional opinion, the
18 patient may benefit from the medical use of marijuana; and~~

19 ~~(ii) Proof of identity such as a Washington state driver's
20 license or identicard, as defined in RCW 46.20.035.~~

21 ~~(b) Beginning July 1, 2016, "authorization"))~~ "Authorization"
22 means a form developed by the department that is completed and signed
23 by a qualifying patient's health care professional and printed on
24 tamper-resistant paper.

25 ~~((e))~~ (b) An authorization is not a prescription as defined in
26 RCW 69.50.101.

27 (2) "CBD concentration" means the percent of cannabidiol content
28 per dry weight of any part of the plant *Cannabis*, or per volume or
29 weight of ~~((marijuana))~~ cannabis product.

30 (3) "Department" means the department of health.

31 (4) "Designated provider" means a person who is twenty-one years
32 of age or older and:

33 (a) (i) Is the parent or guardian of a qualifying patient who is
34 under the age of eighteen and ~~((beginning July 1, 2016,))~~ holds a
35 recognition card; or

36 (ii) Has been designated in writing by a qualifying patient to
37 serve as the designated provider for that patient;

38 (b) (i) Has an authorization from the qualifying patient's health
39 care professional; or

- 1 (ii) (~~Beginning July 1, 2016:~~)
- 2 (A) Has been entered into the medical (~~(marijuana)~~) cannabis
- 3 authorization database as being the designated provider to a
- 4 qualifying patient; and
- 5 (B) Has been provided a recognition card;
- 6 (c) Is prohibited from consuming (~~(marijuana)~~) cannabis obtained
- 7 for the personal, medical use of the qualifying patient for whom the
- 8 individual is acting as designated provider;
- 9 (d) Provides (~~(marijuana)~~) cannabis to only the qualifying
- 10 patient that has designated him or her;
- 11 (e) Is in compliance with the terms and conditions of this
- 12 chapter; and
- 13 (f) Is the designated provider to only one patient at any one
- 14 time.
- 15 (5) "Health care professional," for purposes of this chapter
- 16 only, means a physician licensed under chapter 18.71 RCW, a physician
- 17 assistant licensed under chapter 18.71A RCW, an osteopathic physician
- 18 licensed under chapter 18.57 RCW, a naturopath licensed under chapter
- 19 18.36A RCW, or an advanced registered nurse practitioner licensed
- 20 under chapter 18.79 RCW.
- 21 (6) "Housing unit" means a house, an apartment, a mobile home, a
- 22 group of rooms, or a single room that is occupied as separate living
- 23 quarters, in which the occupants live and eat separately from any
- 24 other persons in the building, and which have direct access from the
- 25 outside of the building or through a common hall.
- 26 (7) "Low THC, high CBD" means products determined by the
- 27 department to have a low THC, high CBD ratio under RCW 69.50.375. Low
- 28 THC, high CBD products must be inhalable, ingestible, or absorbable.
- 29 (8) (~~("Marijuana")~~) "Cannabis" has the meaning provided in RCW
- 30 69.50.101.
- 31 (9) (~~("Marijuana")~~) "Cannabis concentrates" has the meaning
- 32 provided in RCW 69.50.101.
- 33 (10) (~~("Marijuana")~~) "Cannabis processor" has the meaning provided
- 34 in RCW 69.50.101.
- 35 (11) (~~("Marijuana")~~) "Cannabis producer" has the meaning provided
- 36 in RCW 69.50.101.
- 37 (12) (~~("Marijuana")~~) "Cannabis retailer" has the meaning provided
- 38 in RCW 69.50.101.
- 39 (13) (~~("Marijuana")~~) "Cannabis retailer with a medical
- 40 (~~(marijuana)~~) cannabis endorsement" means a (~~(marijuana)~~) cannabis

1 retailer that has been issued a medical (~~marijuana~~) cannabis
2 endorsement by the state liquor and cannabis board pursuant to RCW
3 69.50.375.

4 (14) (~~"Marijuana-infused"~~) "Cannabis-infused products" has the
5 meaning provided in RCW 69.50.101.

6 (15) "Medical (~~marijuana~~) cannabis authorization database"
7 means the secure and confidential database established in RCW
8 69.51A.230.

9 (16) "Medical use of (~~marijuana~~) cannabis" means the
10 manufacture, production, possession, transportation, delivery,
11 ingestion, application, or administration of (~~marijuana~~) cannabis
12 for the exclusive benefit of a qualifying patient in the treatment of
13 his or her terminal or debilitating medical condition.

14 (17) "Plant" means a (~~marijuana~~) cannabis plant having at least
15 three distinguishable and distinct leaves, each leaf being at least
16 three centimeters in diameter, and a readily observable root
17 formation consisting of at least two separate and distinct roots,
18 each being at least two centimeters in length. Multiple stalks
19 emanating from the same root ball or root system is considered part
20 of the same single plant.

21 (18) "Public place" has the meaning provided in RCW 70.160.020.

22 (19) "Qualifying patient" means a person who:

23 (a) (i) Is a patient of a health care professional;

24 (ii) Has been diagnosed by that health care professional as
25 having a terminal or debilitating medical condition;

26 (iii) Is a resident of the state of Washington at the time of
27 such diagnosis;

28 (iv) Has been advised by that health care professional about the
29 risks and benefits of the medical use of (~~marijuana~~) cannabis;

30 (v) Has been advised by that health care professional that they
31 may benefit from the medical use of (~~marijuana~~) cannabis;

32 (vi) (A) Has an authorization from his or her health care
33 professional; or

34 (B) (~~Beginning July 1, 2016, has~~) Has been entered into the
35 medical (~~marijuana~~) cannabis authorization database and has been
36 provided a recognition card; and

37 (vii) Is otherwise in compliance with the terms and conditions
38 established in this chapter.

39 (b) "Qualifying patient" does not include a person who is
40 actively being supervised for a criminal conviction by a corrections

1 agency or department that has determined that the terms of this
2 chapter are inconsistent with and contrary to his or her supervision
3 and all related processes and procedures related to that supervision.

4 (20) "Recognition card" means a card issued to qualifying
5 patients and designated providers by a ((marijuana)) cannabis
6 retailer with a medical ((marijuana)) cannabis endorsement that has
7 entered them into the medical ((marijuana)) cannabis authorization
8 database.

9 (21) "Retail outlet" has the meaning provided in RCW 69.50.101.

10 (22) "Secretary" means the secretary of the department of health.

11 (23) "Tamper-resistant paper" means paper that meets one or more
12 of the following industry-recognized features:

13 (a) One or more features designed to prevent copying of the
14 paper;

15 (b) One or more features designed to prevent the erasure or
16 modification of information on the paper; or

17 (c) One or more features designed to prevent the use of
18 counterfeit authorization.

19 (24) "Terminal or debilitating medical condition" means a
20 condition severe enough to significantly interfere with the patient's
21 activities of daily living and ability to function, which can be
22 objectively assessed and evaluated and limited to the following:

23 (a) Cancer, human immunodeficiency virus (HIV), multiple
24 sclerosis, epilepsy or other seizure disorder, or spasticity
25 disorders;

26 (b) Intractable pain, limited for the purpose of this chapter to
27 mean pain unrelieved by standard medical treatments and medications;

28 (c) Glaucoma, either acute or chronic, limited for the purpose of
29 this chapter to mean increased intraocular pressure unrelieved by
30 standard treatments and medications;

31 (d) Crohn's disease with debilitating symptoms unrelieved by
32 standard treatments or medications;

33 (e) Hepatitis C with debilitating nausea or intractable pain
34 unrelieved by standard treatments or medications;

35 (f) Diseases, including anorexia, which result in nausea,
36 vomiting, wasting, appetite loss, cramping, seizures, muscle spasms,
37 or spasticity, when these symptoms are unrelieved by standard
38 treatments or medications;

39 (g) Posttraumatic stress disorder; or

40 (h) Traumatic brain injury.

1 (25) "THC concentration" has the meaning provided in RCW
2 69.50.101.

3 (26) "Useable (~~(marijuana)~~) cannabis" has the meaning provided
4 in RCW 69.50.101.

5 **Sec. 117.** RCW 69.51A.030 and 2019 c 203 s 1 are each amended to
6 read as follows:

7 (1) The following acts do not constitute crimes under state law
8 or unprofessional conduct under chapter 18.130 RCW, and a health care
9 professional may not be arrested, searched, prosecuted, disciplined,
10 or subject to other criminal sanctions or civil consequences or
11 liability under state law, or have real or personal property
12 searched, seized, or forfeited pursuant to state law, notwithstanding
13 any other provision of law as long as the health care professional
14 complies with subsection (2) of this section:

15 (a) Advising a patient about the risks and benefits of medical
16 use of (~~(marijuana)~~) cannabis or that the patient may benefit from
17 the medical use of (~~(marijuana)~~) cannabis; or

18 (b) Providing a patient or designated provider meeting the
19 criteria established under RCW 69.51A.010 with an authorization,
20 based upon the health care professional's assessment of the patient's
21 medical history and current medical condition, if the health care
22 professional has complied with this chapter and he or she determines
23 within a professional standard of care or in the individual health
24 care professional's medical judgment the qualifying patient may
25 benefit from the medical use of (~~(marijuana)~~) cannabis.

26 (2)(a) A health care professional may provide a qualifying
27 patient or that patient's designated provider with an authorization
28 for the medical use of (~~(marijuana)~~) cannabis in accordance with this
29 section.

30 (b) In order to authorize for the medical use of (~~(marijuana)~~)
31 cannabis under (a) of this subsection, the health care professional
32 must:

33 (i) Have a documented relationship with the patient, as a
34 principal care provider or a specialist, relating to the diagnosis
35 and ongoing treatment or monitoring of the patient's terminal or
36 debilitating medical condition;

37 (ii) Complete an in-person physical examination of the patient or
38 a remote physical examination of the patient if one is determined to
39 be appropriate under (c)(iii) of this subsection;

1 (iii) Document the terminal or debilitating medical condition of
2 the patient in the patient's medical record and that the patient may
3 benefit from treatment of this condition or its symptoms with medical
4 use of ((~~marijuana~~)) cannabis;

5 (iv) Inform the patient of other options for treating the
6 terminal or debilitating medical condition and documenting in the
7 patient's medical record that the patient has received this
8 information;

9 (v) Document in the patient's medical record other measures
10 attempted to treat the terminal or debilitating medical condition
11 that do not involve the medical use of ((~~marijuana~~)) cannabis; and

12 (vi) Complete an authorization on forms developed by the
13 department, in accordance with subsection (3) of this section.

14 (c)(i) For a qualifying patient eighteen years of age or older,
15 an authorization expires one year after its issuance. For a
16 qualifying patient less than eighteen years of age, an authorization
17 expires six months after its issuance.

18 (ii) An authorization may be renewed upon completion of an in-
19 person physical examination or a remote physical examination of the
20 patient if one is determined to be appropriate under (c)(iii) of this
21 subsection and, in compliance with the other requirements of (b) of
22 this subsection.

23 (iii) Following an in-person physical examination to authorize
24 the use of ((~~marijuana~~)) cannabis for medical purposes, the health
25 care professional may determine and note in the patient's medical
26 record that subsequent physical examinations for the purposes of
27 renewing an authorization may occur through the use of telemedicine
28 technology if the health care professional determines that requiring
29 the qualifying patient to attend a physical examination in person to
30 renew an authorization would likely result in severe hardship to the
31 qualifying patient because of the qualifying patient's physical or
32 emotional condition.

33 (iv) When renewing a qualifying patient's authorization for the
34 medical use of ((~~marijuana on or after July 28, 2019~~)) cannabis, the
35 health care professional may indicate that the qualifying patient
36 qualifies for a compassionate care renewal of his or her registration
37 in the medical ((~~marijuana~~)) cannabis authorization database and
38 recognition card if the health care professional determines that
39 requiring the qualifying patient to renew a registration in person
40 would likely result in severe hardship to the qualifying patient

1 because of the qualifying patient's physical or emotional condition.
2 A compassionate care renewal of a qualifying patient's registration
3 and recognition card allows the qualifying patient to receive
4 renewals without the need to be physically present at a retailer and
5 without the requirement to have a photograph taken.

6 (d) A health care professional shall not:

7 (i) Accept, solicit, or offer any form of pecuniary remuneration
8 from or to a ((~~marijuana~~)) cannabis retailer, ((~~marijuana~~)) cannabis
9 processor, or ((~~marijuana~~)) cannabis producer;

10 (ii) Offer a discount or any other thing of value to a qualifying
11 patient who is a customer of, or agrees to be a customer of, a
12 particular ((~~marijuana~~)) cannabis retailer;

13 (iii) Examine or offer to examine a patient for purposes of
14 diagnosing a terminal or debilitating medical condition at a location
15 where ((~~marijuana~~)) cannabis is produced, processed, or sold;

16 (iv) Have a business or practice which consists primarily of
17 authorizing the medical use of ((~~marijuana~~)) cannabis or authorize
18 the medical use of ((~~marijuana~~)) cannabis at any location other than
19 his or her practice's permanent physical location;

20 (v) Except as provided in RCW 69.51A.280, sell, or provide at no
21 charge, ((~~marijuana~~)) cannabis concentrates, ((~~marijuana-infused~~))
22 cannabis-infused products, or useable ((~~marijuana~~)) cannabis to a
23 qualifying patient or designated provider; or

24 (vi) Hold an economic interest in an enterprise that produces,
25 processes, or sells ((~~marijuana~~)) cannabis if the health care
26 professional authorizes the medical use of ((~~marijuana~~)) cannabis.

27 (3) The department shall develop the form for the health care
28 professional to use as an authorization for qualifying patients and
29 designated providers. The form shall include the qualifying patient's
30 or designated provider's name, address, and date of birth; the health
31 care professional's name, address, and license number; the amount of
32 ((~~marijuana~~)) cannabis recommended for the qualifying patient; a
33 telephone number where the authorization can be verified during
34 normal business hours; the dates of issuance and expiration; and a
35 statement that an authorization does not provide protection from
36 arrest unless the qualifying patient or designated provider is also
37 entered in the medical ((~~marijuana~~)) cannabis authorization database
38 and holds a recognition card.

39 (4) The appropriate health professions disciplining authority may
40 inspect or request patient records to confirm compliance with this

1 section. The health care professional must provide access to or
2 produce documents, records, or other items that are within his or her
3 possession or control within twenty-one calendar days of service of a
4 request by the health professions disciplining authority. If the
5 twenty-one calendar day limit results in a hardship upon the health
6 care professional, he or she may request, for good cause, an
7 extension not to exceed thirty additional calendar days. Failure to
8 produce the documents, records, or other items shall result in
9 citations and fines issued consistent with RCW 18.130.230. Failure to
10 otherwise comply with the requirements of this section shall be
11 considered unprofessional conduct and subject to sanctions under
12 chapter 18.130 RCW.

13 (5) After a health care professional authorizes a qualifying
14 patient for the medical use of ((~~marijuana~~)) cannabis, he or she may
15 discuss with the qualifying patient how to use ((~~marijuana~~)) cannabis
16 and the types of products the qualifying patient should seek from a
17 retail outlet.

18 **Sec. 118.** RCW 69.51A.040 and 2015 c 70 s 24 are each amended to
19 read as follows:

20 The medical use of ((~~marijuana~~)) cannabis in accordance with the
21 terms and conditions of this chapter does not constitute a crime and
22 a qualifying patient or designated provider in compliance with the
23 terms and conditions of this chapter may not be arrested, prosecuted,
24 or subject to other criminal sanctions or civil consequences for
25 possession, manufacture, or delivery of, or for possession with
26 intent to manufacture or deliver, ((~~marijuana~~)) cannabis under state
27 law, or have real or personal property seized or forfeited for
28 possession, manufacture, or delivery of, or for possession with
29 intent to manufacture or deliver, ((~~marijuana~~)) cannabis under state
30 law, and investigating law enforcement officers and agencies may not
31 be held civilly liable for failure to seize ((~~marijuana~~)) cannabis in
32 this circumstance, if:

33 (1) (a) (i) The qualifying patient or designated provider has been
34 entered into the medical ((~~marijuana~~)) cannabis authorization
35 database and holds a valid recognition card and possesses no more
36 than the amount of ((~~marijuana~~)) cannabis concentrates, useable
37 ((~~marijuana~~)) cannabis, plants, or ((~~marijuana-infused~~)) cannabis-
38 infused products authorized under RCW 69.51A.210.

1 (ii) If a person is both a qualifying patient and a designated
2 provider for another qualifying patient, the person may possess no
3 more than twice the amounts described in RCW 69.51A.210 for the
4 qualifying patient and designated provider, whether the plants,
5 ((marijuana)) cannabis concentrates, useable ((marijuana, ~~or~~
6 ~~marijuana-infused~~) cannabis, or cannabis-infused products are
7 possessed individually or in combination between the qualifying
8 patient and his or her designated provider;

9 (b) The qualifying patient or designated provider presents his or
10 her recognition card to any law enforcement officer who questions the
11 patient or provider regarding his or her medical use of ((marijuana))
12 cannabis;

13 (c) The qualifying patient or designated provider keeps a copy of
14 his or her recognition card and the qualifying patient or designated
15 provider's contact information posted prominently next to any plants,
16 ((marijuana)) cannabis concentrates, ((marijuana-infused)) cannabis-
17 infused products, or useable ((marijuana)) cannabis located at his or
18 her residence;

19 (d) The investigating law enforcement officer does not possess
20 evidence that:

21 (i) The designated provider has converted ((marijuana)) cannabis
22 produced or obtained for the qualifying patient for his or her own
23 personal use or benefit; or

24 (ii) The qualifying patient sold, donated, or supplied
25 ((marijuana)) cannabis to another person; and

26 (e) The designated provider has not served as a designated
27 provider to more than one qualifying patient within a fifteen-day
28 period; or

29 (2) The qualifying patient or designated provider participates in
30 a cooperative as provided in RCW 69.51A.250.

31 **Sec. 119.** RCW 69.51A.043 and 2015 c 70 s 25 are each amended to
32 read as follows:

33 (1) A qualifying patient or designated provider who has a valid
34 authorization from his or her health care professional, but is not
35 entered in the medical ((marijuana)) cannabis authorization database
36 and does not have a recognition card may raise the affirmative
37 defense set forth in subsection (2) of this section, if:

38 (a) The qualifying patient or designated provider presents his or
39 her authorization to any law enforcement officer who questions the

1 patient or provider regarding his or her medical use of ((~~marijuana~~))
2 cannabis;

3 (b) The qualifying patient or designated provider possesses no
4 more ((~~marijuana~~)) cannabis than the limits set forth in RCW
5 69.51A.210(3);

6 (c) The qualifying patient or designated provider is in
7 compliance with all other terms and conditions of this chapter;

8 (d) The investigating law enforcement officer does not have
9 probable cause to believe that the qualifying patient or designated
10 provider has committed a felony, or is committing a misdemeanor in
11 the officer's presence, that does not relate to the medical use of
12 ((~~marijuana~~)) cannabis; and

13 (e) No outstanding warrant for arrest exists for the qualifying
14 patient or designated provider.

15 (2) A qualifying patient or designated provider who is not
16 entered in the medical ((~~marijuana~~)) cannabis authorization database
17 and does not have a recognition card, but who presents his or her
18 authorization to any law enforcement officer who questions the
19 patient or provider regarding his or her medical use of ((~~marijuana~~))
20 cannabis, may assert an affirmative defense to charges of violations
21 of state law relating to ((~~marijuana~~)) cannabis through proof at
22 trial, by a preponderance of the evidence, that he or she otherwise
23 meets the requirements of RCW 69.51A.040. A qualifying patient or
24 designated provider meeting the conditions of this subsection but
25 possessing more ((~~marijuana~~)) cannabis than the limits set forth in
26 RCW 69.51A.210(3) may, in the investigating law enforcement officer's
27 discretion, be taken into custody and booked into jail in connection
28 with the investigation of the incident.

29 **Sec. 120.** RCW 69.51A.045 and 2015 c 70 s 29 are each amended to
30 read as follows:

31 (1) A qualifying patient or designated provider in possession of
32 plants, ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
33 ~~marijuana-infused~~)) cannabis, or cannabis infused products exceeding
34 the limits set forth in this chapter but otherwise in compliance with
35 all other terms and conditions of this chapter may establish an
36 affirmative defense to charges of violations of state law relating to
37 ((~~marijuana~~)) cannabis through proof at trial, by a preponderance of
38 the evidence, that the qualifying patient's necessary medical use
39 exceeds the amounts set forth in RCW 69.51A.040.

1 (2) An investigating law enforcement officer may seize plants,
2 ((~~marijuana~~)) cannabis concentrates, useable ((~~marijuana, or~~
3 ~~marijuana-infused~~)) cannabis, or cannabis-infused products exceeding
4 the amounts set forth in this chapter. In the case of plants, the
5 qualifying patient or designated provider shall be allowed to select
6 the plants that will remain at the location. The officer and his or
7 her law enforcement agency may not be held civilly liable for failure
8 to seize ((~~marijuana~~)) cannabis in this circumstance.

9 **Sec. 121.** RCW 69.51A.050 and 1999 c 2 s 7 are each amended to
10 read as follows:

11 (1) The lawful possession or manufacture of medical ((~~marijuana~~))
12 cannabis as authorized by this chapter shall not result in the
13 forfeiture or seizure of any property.

14 (2) No person shall be prosecuted for constructive possession,
15 conspiracy, or any other criminal offense solely for being in the
16 presence or vicinity of medical ((~~marijuana~~)) cannabis or its use as
17 authorized by this chapter.

18 (3) The state shall not be held liable for any deleterious
19 outcomes from the medical use of ((~~marijuana~~)) cannabis by any
20 qualifying patient.

21 **Sec. 122.** RCW 69.51A.060 and 2019 c 204 s 3 are each amended to
22 read as follows:

23 (1) It shall be a class 3 civil infraction to use or display
24 medical ((~~marijuana~~)) cannabis in a manner or place which is open to
25 the view of the general public.

26 (2) Nothing in this chapter establishes a right of care as a
27 covered benefit or requires any state purchased health care as
28 defined in RCW 41.05.011 or other health carrier or health plan as
29 defined in Title 48 RCW to be liable for any claim for reimbursement
30 for the medical use of ((~~marijuana~~)) cannabis. Such entities may
31 enact coverage or noncoverage criteria or related policies for
32 payment or nonpayment of medical ((~~marijuana~~)) cannabis in their sole
33 discretion.

34 (3) Nothing in this chapter requires any health care professional
35 to authorize the medical use of ((~~marijuana~~)) cannabis for a patient.

36 (4) Nothing in this chapter requires any accommodation of any on-
37 site medical use of ((~~marijuana~~)) cannabis in any place of

1 employment, in any youth center, in any correctional facility, or
2 smoking ((~~marijuana~~)) cannabis in any public place or hotel or motel.

3 (5) Nothing in this chapter authorizes the possession or use of
4 ((~~marijuana, marijuana~~)) cannabis, cannabis concentrates, useable
5 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
6 products on federal property.

7 (6) Nothing in this chapter authorizes the use of medical
8 ((~~marijuana~~)) cannabis by any person who is subject to the Washington
9 code of military justice in chapter 38.38 RCW.

10 (7) Employers may establish drug-free work policies. Nothing in
11 this chapter requires an accommodation for the medical use of
12 ((~~marijuana~~)) cannabis if an employer has a drug-free workplace.

13 (8) No person shall be entitled to claim the protection from
14 arrest and prosecution under RCW 69.51A.040 or the affirmative
15 defense under RCW 69.51A.043 for engaging in the medical use of
16 ((~~marijuana~~)) cannabis in a way that endangers the health or well-
17 being of any person through the use of a motorized vehicle on a
18 street, road, or highway, including violations of RCW 46.61.502 or
19 46.61.504, or equivalent local ordinances.

20 **Sec. 123.** RCW 69.51A.100 and 2015 c 70 s 34 are each amended to
21 read as follows:

22 (1) A qualifying patient may revoke his or her designation of a
23 specific designated provider and designate a different designated
24 provider at any time. A revocation of designation must be in writing,
25 signed and dated, and provided to the designated provider and, if
26 applicable, the medical ((~~marijuana~~)) cannabis authorization database
27 administrator. The protections of this chapter cease to apply to a
28 person who has served as a designated provider to a qualifying
29 patient seventy-two hours after receipt of that patient's revocation
30 of his or her designation.

31 (2) A person may stop serving as a designated provider to a given
32 qualifying patient at any time by revoking that designation in
33 writing, signed and dated, and provided to the qualifying patient
34 and, if applicable, the medical ((~~marijuana~~)) cannabis authorization
35 database administrator. However, that person may not begin serving as
36 a designated provider to a different qualifying patient until fifteen
37 days have elapsed from the date the last qualifying patient
38 designated him or her to serve as a ((~~designated~~)) designated
39 provider.

1 (3) The department may adopt rules to implement this section,
2 including a procedure to remove the name of the designated provider
3 from the medical ((~~marijuana~~)) cannabis authorization database upon
4 receipt of a revocation under this section.

5 **Sec. 124.** RCW 69.51A.210 and 2015 c 70 s 19 are each amended to
6 read as follows:

7 As part of authorizing a qualifying patient or designated
8 provider, the health care professional may include recommendations on
9 the amount of ((~~marijuana~~)) cannabis that is likely needed by the
10 qualifying patient for his or her medical needs and in accordance
11 with this section.

12 (1) If the health care professional does not include
13 recommendations on the qualifying patient's or designated provider's
14 authorization, the ((~~marijuana~~)) cannabis retailer with a medical
15 ((~~marijuana~~)) cannabis endorsement, when adding the qualifying
16 patient or designated provider to the medical ((~~marijuana~~)) cannabis
17 authorization database, shall enter into the database that the
18 qualifying patient or designated provider may purchase or obtain at a
19 retail outlet holding a medical ((~~marijuana~~)) cannabis endorsement a
20 combination of the following: Forty-eight ounces of ((~~marijuana-~~
21 ~~infused~~)) cannabis-infused product in solid form; three ounces of
22 useable ((~~marijuana~~)) cannabis; two hundred sixteen ounces of
23 ((~~marijuana-infused~~)) cannabis-infused product in liquid form; or
24 twenty-one grams of ((~~marijuana~~)) cannabis concentrates. The
25 qualifying patient or designated provider may also grow, in his or
26 her domicile, up to six plants for the personal medical use of the
27 qualifying patient and possess up to eight ounces of useable
28 ((~~marijuana~~)) cannabis produced from his or her plants. These amounts
29 shall be specified on the recognition card that is issued to the
30 qualifying patient or designated provider.

31 (2) If the health care professional determines that the medical
32 needs of a qualifying patient exceed the amounts provided for in
33 subsection (1) of this section, the health care professional must
34 specify on the authorization that it is recommended that the patient
35 be allowed to grow, in his or her domicile, up to fifteen plants for
36 the personal medical use of the patient. A patient so authorized may
37 possess up to sixteen ounces of useable ((~~marijuana~~)) cannabis in his
38 or her domicile. The number of plants must be entered into the
39 medical ((~~marijuana~~)) cannabis authorization database by the

1 ((~~marijuana~~)) cannabis retailer with a medical ((~~marijuana~~)) cannabis
2 endorsement and specified on the recognition card that is issued to
3 the qualifying patient or designated provider.

4 (3) If a qualifying patient or designated provider with an
5 authorization from a health care professional has not been entered
6 into the medical ((~~marijuana~~)) cannabis authorization database, he or
7 she may not receive a recognition card and may only purchase at a
8 retail outlet, whether it holds a medical ((~~marijuana~~)) cannabis
9 endorsement or not, the amounts established in RCW 69.50.360. In
10 addition the qualifying patient or the designated provider may grow,
11 in his or her domicile, up to four plants for the personal medical
12 use of the qualifying patient and possess up to six ounces of useable
13 ((~~marijuana~~)) cannabis in his or her domicile.

14 **Sec. 125.** RCW 69.51A.220 and 2015 c 70 s 20 are each amended to
15 read as follows:

16 (1) Health care professionals may authorize the medical use of
17 ((~~marijuana~~)) cannabis for qualifying patients who are under the age
18 of eighteen if:

19 (a) The minor's parent or guardian participates in the minor's
20 treatment and agrees to the medical use of ((~~marijuana~~)) cannabis by
21 the minor; and

22 (b) The parent or guardian acts as the designated provider for
23 the minor and has sole control over the minor's ((~~marijuana~~))
24 cannabis.

25 (2) The minor may not grow plants or purchase ((~~marijuana-~~
26 ~~infused~~)) cannabis-infused products, useable ((~~marijuana,~~—~~or~~
27 ~~marijuana~~)) cannabis, or cannabis concentrates from a ((~~marijuana~~))
28 cannabis retailer with a medical ((~~marijuana~~)) cannabis endorsement.

29 (3) Both the minor and the minor's parent or guardian who is
30 acting as the designated provider must be entered in the medical
31 ((~~marijuana~~)) cannabis authorization database and hold a recognition
32 card.

33 (4) A health care professional who authorizes the medical use of
34 ((~~marijuana~~)) cannabis by a minor must do so as part of the course of
35 treatment of the minor's terminal or debilitating medical condition.
36 If authorizing a minor for the medical use of ((~~marijuana~~)) cannabis,
37 the health care professional must:

1 (a) Consult with other health care providers involved in the
2 minor's treatment, as medically indicated, before authorization or
3 reauthorization of the medical use of ((~~marijuana~~)) cannabis; and

4 (b) Reexamine the minor at least once every six months or more
5 frequently as medically indicated. The reexamination must:

6 (i) Determine that the minor continues to have a terminal or
7 debilitating medical condition and that the condition benefits from
8 the medical use of ((~~marijuana~~)) cannabis; and

9 (ii) Include a follow-up discussion with the minor's parent or
10 guardian to ensure the parent or guardian continues to participate in
11 the treatment of the minor.

12 **Sec. 126.** RCW 69.51A.225 and 2019 c 204 s 2 are each amended to
13 read as follows:

14 A school district must permit a student who meets the
15 requirements of RCW 69.51A.220 to consume ((~~marijuana-infused~~))
16 cannabis-infused products on school grounds, aboard a school bus, or
17 while attending a school-sponsored event. The use must be in
18 accordance with school policy relating to medical ((~~marijuana~~))
19 cannabis use on school grounds, aboard a school bus, or while
20 attending a school-sponsored event, as adopted under RCW 28A.210.325.

21 **Sec. 127.** RCW 69.51A.230 and 2019 c 220 s 2 and 2019 c 203 s 2
22 are each reenacted and amended to read as follows:

23 (1) The department must contract with an entity to create,
24 administer, and maintain a secure and confidential medical
25 ((~~marijuana~~)) cannabis authorization database that((~~, beginning July~~
26 ~~1, 2016,~~)) allows:

27 (a) A ((~~marijuana~~)) cannabis retailer with a medical
28 ((~~marijuana~~)) cannabis endorsement to add a qualifying patient or
29 designated provider and include the amount of ((~~marijuana~~)) cannabis
30 concentrates, useable ((~~marijuana, marijuana-infused~~)) cannabis,
31 cannabis-infused products, or plants for which the qualifying patient
32 is authorized under RCW 69.51A.210;

33 (b) Persons authorized to prescribe or dispense controlled
34 substances to access health care information on their patients for
35 the purpose of providing medical or pharmaceutical care for their
36 patients;

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

4 (d) Appropriate local, state, tribal, and federal law enforcement
5 or prosecutorial officials who are engaged in a bona fide specific
6 investigation of suspected (~~marijuana-related~~) cannabis-related
7 activity that may be illegal under Washington state law to confirm
8 the validity of the recognition card of a qualifying patient or
9 designated provider;

10 (e) A (~~marijuana~~) cannabis retailer holding a medical
11 (~~marijuana~~) cannabis endorsement to confirm the validity of the
12 recognition card of a qualifying patient or designated provider;

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

15 (g) The department and the health care professional's
16 disciplining authorities to monitor authorizations and ensure
17 compliance with this chapter and chapter 18.130 RCW by their
18 licensees; and

19 (h) Authorizations to expire six months or one year after entry
20 into the medical (~~marijuana~~) cannabis authorization database,
21 depending on whether the authorization is for a minor or an adult.

22 (2) A qualifying patient and his or her designated provider, if
23 any, may be placed in the medical (~~marijuana~~) cannabis
24 authorization database at a (~~marijuana~~) cannabis retailer with a
25 medical (~~marijuana~~) cannabis endorsement. After all qualifying
26 patient or designated provider is placed in the medical (~~marijuana~~)
27 cannabis authorization database, he or she must be provided with a
28 recognition card that contains identifiers required in subsection (3)
29 of this section.

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

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

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

35 (c) A photograph of the qualifying patient's or designated
36 provider's face taken by an employee of the (~~marijuana~~) cannabis
37 retailer with a medical (~~marijuana~~) cannabis endorsement at the
38 same time that the qualifying patient or designated provider is being
39 placed in the medical (~~marijuana~~) cannabis authorization database
40 in accordance with rules adopted by the department;

1 (d) The amount of (~~marijuana~~) cannabis concentrates, useable
2 (~~marijuana, marijuana-infused~~) cannabis, cannabis-infused products,
3 or plants for which the qualifying patient is authorized under RCW
4 69.51A.210;

5 (e) The effective date and expiration date of the recognition
6 card;

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

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

11 (4)(a) For qualifying patients who are eighteen years of age or
12 older and their designated providers, recognition cards are valid for
13 one year from the date the health care professional issued the
14 authorization. For qualifying patients who are under the age of
15 eighteen and their designated providers, recognition cards are valid
16 for six months from the date the health care professional issued the
17 authorization. Qualifying patients may not be reentered into the
18 medical (~~marijuana~~) cannabis authorization database until they have
19 been reexamined by a health care professional and determined to meet
20 the definition of qualifying patient. After reexamination, a
21 (~~marijuana~~) cannabis retailer with a medical (~~marijuana~~) cannabis
22 endorsement must reenter the qualifying patient or designated
23 provider into the medical (~~marijuana~~) cannabis authorization
24 database and a new recognition card will then be issued in accordance
25 with department rules.

26 (b) (~~Beginning on July 28, 2019, a~~) A qualifying patient's
27 registration in the medical (~~marijuana~~) cannabis authorization
28 database and his or her recognition card may be renewed by a
29 qualifying patient's designated provider without the physical
30 presence of the qualifying patient at the retailer if the
31 authorization from the health care professional indicates that the
32 qualifying patient qualifies for a compassionate care renewal, as
33 provided in RCW 69.51A.030. A qualifying patient receiving renewals
34 under the compassionate care renewal provisions is exempt from the
35 photograph requirements under subsection (3)(c) of this section.

36 (5) If a recognition card is lost or stolen, a (~~marijuana~~)
37 cannabis retailer with a medical (~~marijuana~~) cannabis endorsement,
38 in conjunction with the database administrator, may issue a new card
39 that will be valid for six months to one year if the patient is
40 reexamined by a health care professional and determined to meet the

1 definition of qualifying patient and depending on whether the patient
2 is under the age of eighteen or eighteen years of age or older as
3 provided in subsection (4) of this section. If a reexamination is not
4 performed, the expiration date of the replacement recognition card
5 must be the same as the lost or stolen recognition card.

6 (6) The database administrator must remove qualifying patients
7 and designated providers from the medical ((~~marijuana~~)) cannabis
8 authorization database upon expiration of the recognition card.
9 Qualifying patients and designated providers may request to remove
10 themselves from the medical ((~~marijuana~~)) cannabis authorization
11 database before expiration of a recognition card and health care
12 professionals may request to remove qualifying patients and
13 designated providers from the medical ((~~marijuana~~)) cannabis
14 authorization database if the patient or provider no longer qualifies
15 for the medical use of ((~~marijuana~~)) cannabis. The database
16 administrator must retain database records for at least five calendar
17 years to permit the state liquor and cannabis board and the
18 department of revenue to verify eligibility for tax exemptions.

19 (7) During development of the medical ((~~marijuana~~)) cannabis
20 authorization database, the database administrator must consult with
21 the department, stakeholders, and persons with relevant expertise to
22 include, but not be limited to, qualifying patients, designated
23 providers, health care professionals, state and local law enforcement
24 agencies, and the University of Washington computer science and
25 engineering security and privacy research lab or a certified
26 cybersecurity firm, vendor, or service.

27 (8) The medical ((~~marijuana~~)) cannabis authorization database
28 must meet the following requirements:

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

32 (b) Any personally identifiable information included in the
33 database must not be susceptible to linkage by use of data external
34 to the database;

35 (c) The database must incorporate current best differential
36 privacy practices, allowing for maximum accuracy of database queries
37 while minimizing the chances of identifying the personally
38 identifiable information included therein; and

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

4 (9)(a) Personally identifiable information of qualifying patients
5 and designated providers included in the medical ((~~marijuana~~))
6 cannabis authorization database is confidential and exempt from
7 public disclosure, inspection, or copying under chapter 42.56 RCW.

8 (b) Information contained in the medical ((~~marijuana~~)) cannabis
9 authorization database may be released in aggregate form, with all
10 personally identifiable information redacted, for the purpose of
11 statistical analysis and oversight of agency performance and actions.

12 (c) Information contained in the medical ((~~marijuana~~)) cannabis
13 authorization database shall not be shared with the federal
14 government or its agents unless the particular qualifying patient or
15 designated provider is convicted in state court for violating this
16 chapter or chapter 69.50 RCW.

17 (10) The department must charge a one dollar fee for each initial
18 and renewal recognition card issued by a ((~~marijuana~~)) cannabis
19 retailer with a medical ((~~marijuana~~)) cannabis endorsement. The
20 ((~~marijuana~~)) cannabis retailer with a medical ((~~marijuana~~)) cannabis
21 endorsement shall collect the fee from the qualifying patient or
22 designated provider at the time that he or she is entered into the
23 database and issued a recognition card. The department shall
24 establish a schedule for ((~~marijuana~~)) cannabis retailers with a
25 medical ((~~marijuana~~)) cannabis endorsement to remit the fees
26 collected. Fees collected under this subsection shall be deposited
27 into the dedicated ((~~marijuana~~)) cannabis account created under RCW
28 69.50.530.

29 (11) If the database administrator fails to comply with this
30 section, the department may cancel any contracts with the database
31 administrator and contract with another database administrator to
32 continue administration of the database. A database administrator who
33 fails to comply with this section is subject to a fine of up to five
34 thousand dollars in addition to any penalties established in the
35 contract. Fines collected under this section must be deposited into
36 the health professions account created under RCW 43.70.320.

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

38 **Sec. 128.** RCW 69.51A.240 and 2015 c 70 s 23 are each amended to
39 read as follows:

1 (1) It is unlawful for a person to knowingly or intentionally:
2 (a) Access the medical ((~~marijuana~~)) cannabis authorization
3 database for any reason not authorized under RCW 69.51A.230;
4 (b) Disclose any information received from the medical
5 ((~~marijuana~~)) cannabis authorization database in violation of RCW
6 69.51A.230 including, but not limited to, qualifying patient or
7 designated provider names, addresses, or amount of ((~~marijuana~~))
8 cannabis for which they are authorized;
9 (c) Produce a recognition card or to tamper with a recognition
10 card for the purpose of having it accepted by a ((~~marijuana~~))
11 cannabis retailer holding a medical ((~~marijuana~~)) cannabis
12 endorsement in order to purchase ((~~marijuana~~)) cannabis as a
13 qualifying patient or designated provider or to grow ((~~marijuana~~))
14 cannabis plants in accordance with this chapter;
15 (d) If a person is a designated provider to a qualifying patient,
16 sell, donate, or supply ((~~marijuana~~)) cannabis produced or obtained
17 for the qualifying patient to another person, or use the
18 ((~~marijuana~~)) cannabis produced or obtained for the qualifying
19 patient for the designated provider's own personal use or benefit; or
20 (e) If the person is a qualifying patient, sell, donate, or
21 otherwise supply ((~~marijuana~~)) cannabis produced or obtained by the
22 qualifying patient to another person.
23 (2) A person who violates this section is guilty of a class C
24 felony.

25 **Sec. 129.** RCW 69.51A.250 and 2017 c 317 s 8 are each amended to
26 read as follows:

27 (1) Qualifying patients or designated providers may form a
28 cooperative and share responsibility for acquiring and supplying the
29 resources needed to produce and process ((~~marijuana~~)) cannabis only
30 for the medical use of members of the cooperative. No more than four
31 qualifying patients or designated providers may become members of a
32 cooperative under this section and all members must hold valid
33 recognition cards. All members of the cooperative must be at least
34 twenty-one years old. The designated provider of a qualifying patient
35 who is under twenty-one years old may be a member of a cooperative on
36 the qualifying patient's behalf. All plants grown in the cooperative
37 must be from an immature plant or clone purchased from a licensed
38 ((~~marijuana~~)) cannabis producer as defined in RCW 69.50.101.

1 Cooperatives may also purchase ((~~marijuana~~)) cannabis seeds from a
2 licensed ((~~marijuana~~)) cannabis producer.

3 (2) Qualifying patients and designated providers who wish to form
4 a cooperative must register the location with the state liquor and
5 cannabis board and this is the only location where cooperative
6 members may grow or process ((~~marijuana~~)) cannabis. This registration
7 must include the names of all participating members and copies of
8 each participant's recognition card. Only qualifying patients or
9 designated providers registered with the state liquor and cannabis
10 board in association with the location may participate in growing or
11 receive useable ((~~marijuana~~—or—~~marijuana-infused~~)) cannabis or
12 cannabis-infused products grown at that location.

13 (3) No cooperative may be located in any of the following areas:

14 (a) Within one mile of a ((~~marijuana~~)) cannabis retailer;

15 (b) Within the smaller of either:

16 (i) One thousand feet of the perimeter of the grounds of any
17 elementary or secondary school, playground, recreation center or
18 facility, child care center, public park, public transit center,
19 library, or any game arcade that admission to which is not restricted
20 to persons aged twenty-one years or older; or

21 (ii) The area restricted by ordinance, if the cooperative is
22 located in a city, county, or town that has passed an ordinance
23 pursuant to RCW 69.50.331(8); or

24 (c) Where prohibited by a city, town, or county zoning provision.

25 (4) The state liquor and cannabis board must deny the
26 registration of any cooperative if the location does not comply with
27 the requirements set forth in subsection (3) of this section.

28 (5) If a qualifying patient or designated provider no longer
29 participates in growing at the location, he or she must notify the
30 state liquor and cannabis board within fifteen days of the date the
31 qualifying patient or designated provider ceases participation. The
32 state liquor and cannabis board must remove his or her name from
33 connection to the cooperative. Additional qualifying patients or
34 designated providers may not join the cooperative until sixty days
35 have passed since the date on which the last qualifying patient or
36 designated provider notifies the state liquor and cannabis board that
37 he or she no longer participates in that cooperative.

38 (6) Qualifying patients or designated providers who participate
39 in a cooperative under this section:

1 (a) May grow up to the total amount of plants for which each
2 participating member is authorized on their recognition cards, up to
3 a maximum of sixty plants. At the location, the qualifying patients
4 or designated providers may possess the amount of useable
5 (~~marijuana~~) cannabis that can be produced with the number of plants
6 permitted under this subsection, but no more than seventy-two ounces;

7 (b) May only participate in one cooperative;

8 (c) May only grow plants in the cooperative and if he or she
9 grows plants in the cooperative may not grow plants elsewhere;

10 (d) Must provide assistance in growing plants. A monetary
11 contribution or donation is not to be considered assistance under
12 this section. Participants must provide nonmonetary resources and
13 labor in order to participate; and

14 (e) May not sell, donate, or otherwise provide (~~marijuana,~~
15 ~~marijuana~~) cannabis, cannabis concentrates, useable (~~marijuana,~~
16 ~~marijuana-infused~~) cannabis, or cannabis-infused products to a
17 person who is not participating under this section.

18 (7) The location of the cooperative must be the domicile of one
19 of the participants. Only one cooperative may be located per property
20 tax parcel. A copy of each participant's recognition card must be
21 kept at the location at all times.

22 (8) The state liquor and cannabis board may adopt rules to
23 implement this section including:

24 (a) Any security requirements necessary to ensure the safety of
25 the cooperative and to reduce the risk of diversion from the
26 cooperative;

27 (b) A seed to sale traceability model that is similar to the seed
28 to sale traceability model used by licensees that will allow the
29 state liquor and cannabis board to track all (~~marijuana~~) cannabis
30 grown in a cooperative.

31 (9) The state liquor and cannabis board or law enforcement may
32 inspect a cooperative registered under this section to ensure members
33 are in compliance with this section. The state liquor and cannabis
34 board must adopt rules on reasonable inspection hours and reasons for
35 inspections.

36 **Sec. 130.** RCW 69.51A.260 and 2015 c 70 s 27 are each amended to
37 read as follows:

38 (1) Notwithstanding any other provision of this chapter and even
39 if multiple qualifying patients or designated providers reside in the

1 same housing unit, no more than fifteen plants may be grown or
2 located in any one housing unit other than a cooperative established
3 pursuant to RCW 69.51A.250.

4 (2) Neither the production nor processing of (~~marijuana~~ or
5 ~~marijuana-infused~~) cannabis or cannabis-infused products pursuant to
6 this section nor the storage or growing of plants may occur if any
7 portion of such activity can be readily seen by normal unaided vision
8 or readily smelled from a public place or the private property of
9 another housing unit.

10 (3) Cities, towns, counties, and other municipalities may create
11 and enforce civil penalties, including abatement procedures, for the
12 growing or processing of (~~marijuana~~) cannabis and for keeping
13 (~~marijuana~~) cannabis plants beyond or otherwise not in compliance
14 with this section.

15 **Sec. 131.** RCW 69.51A.270 and 2015 c 70 s 28 are each amended to
16 read as follows:

17 (1) Once the state liquor and cannabis board adopts rules under
18 subsection (2) of this section, qualifying patients or designated
19 providers may only extract or separate the resin from (~~marijuana~~)
20 cannabis or produce or process any form of (~~marijuana~~) cannabis
21 concentrates or (~~marijuana-infused~~) cannabis-infused products in
22 accordance with those standards.

23 (2) The state liquor and cannabis board must adopt rules
24 permitting qualifying patients and designated providers to extract or
25 separate the resin from (~~marijuana~~) cannabis using noncombustible
26 methods. The rules must provide the noncombustible methods permitted
27 and any restrictions on this practice.

28 **Sec. 132.** RCW 69.51A.290 and 2015 c 70 s 37 are each amended to
29 read as follows:

30 A medical (~~marijuana~~) cannabis consultant certificate is hereby
31 established.

32 (1) In addition to any other authority provided by law, the
33 secretary of the department may:

34 (a) Adopt rules, in accordance with chapter 34.05 RCW, necessary
35 to implement this chapter;

36 (b) Establish forms and procedures necessary to administer this
37 chapter;

1 (c) Approve training or education programs that meet the
2 requirements of this section and any rules adopted to implement it;

3 (d) Receive criminal history record information that includes
4 nonconviction information data for any purpose associated with
5 initial certification or renewal of certification. The secretary
6 shall require each applicant for initial certification to obtain a
7 state or federal criminal history record information background check
8 through the state patrol or the state patrol and the identification
9 division of the federal bureau of investigation prior to the issuance
10 of any certificate. The secretary shall specify those situations
11 where a state background check is inadequate and an applicant must
12 obtain an electronic fingerprint-based national background check
13 through the state patrol and federal bureau of investigation.
14 Situations where a background check is inadequate may include
15 instances where an applicant has recently lived out-of-state or where
16 the applicant has a criminal record in Washington;

17 (e) Establish administrative procedures, administrative
18 requirements, and fees in accordance with RCW 43.70.110 and
19 43.70.250; and

20 (f) Maintain the official department record of all applicants and
21 certificate holders.

22 (2) A training or education program approved by the secretary
23 must include the following topics:

24 (a) The medical conditions that constitute terminal or
25 debilitating conditions, and the symptoms of those conditions;

26 (b) Short and long-term effects of cannabinoids;

27 (c) Products that may benefit qualifying patients based on the
28 patient's terminal or debilitating medical condition;

29 (d) Risks and benefits of various routes of administration;

30 (e) Safe handling and storage of useable (~~marijuana, marijuana-~~
31 ~~infused~~) cannabis, cannabis-infused products, and (~~marijuana~~)
32 cannabis concentrates, including strategies to reduce access by
33 minors;

34 (f) Demonstrated knowledge of this chapter and the rules adopted
35 to implement it; and

36 (g) Other subjects deemed necessary and appropriate by the
37 secretary to ensure medical (~~marijuana~~) cannabis consultant
38 certificate holders are able to provide evidence-based and medically
39 accurate advice on the medical use of (~~marijuana~~) cannabis.

1 (3) Medical ((~~marijuana~~)) cannabis consultant certificates are
2 subject to annual renewals and continuing education requirements
3 established by the secretary.

4 (4) The secretary shall have the power to refuse, suspend, or
5 revoke the certificate of any medical ((~~marijuana~~)) cannabis
6 consultant upon proof that:

7 (a) The certificate was procured through fraud,
8 misrepresentation, or deceit;

9 (b) The certificate holder has committed acts in violation of
10 subsection (6) of this section; or

11 (c) The certificate holder has violated or has permitted any
12 employee or volunteer to violate any of the laws of this state
13 relating to drugs or controlled substances or has been convicted of a
14 felony.

15 In any case of the refusal, suspension, or revocation of a
16 certificate by the secretary under the provisions of this chapter,
17 appeal may be taken in accordance with chapter 34.05 RCW, the
18 administrative procedure act.

19 (5) A medical ((~~marijuana~~)) cannabis consultant may provide the
20 following services when acting as an owner, employee, or volunteer of
21 a retail outlet licensed under RCW 69.50.354 and holding a medical
22 ((~~marijuana~~)) cannabis endorsement under RCW 69.50.375:

23 (a) Assisting a customer with the selection of products sold at
24 the retail outlet that may benefit the qualifying patient's terminal
25 or debilitating medical condition;

26 (b) Describing the risks and benefits of products sold at the
27 retail outlet;

28 (c) Describing the risks and benefits of methods of
29 administration of products sold at the retail outlet;

30 (d) Advising a customer about the safe handling and storage of
31 useable ((~~marijuana, marijuana-infused~~)) cannabis, cannabis-infused
32 products, and ((~~marijuana~~)) cannabis concentrates, including
33 strategies to reduce access by minors; and

34 (e) Providing instruction and demonstrations to customers about
35 proper use and application of useable ((~~marijuana, marijuana-~~
36 ~~infused~~)) cannabis, cannabis-infused products, and ((~~marijuana~~))
37 cannabis concentrates.

38 (6) Nothing in this section authorizes a medical ((~~marijuana~~))
39 cannabis consultant to:

1 (a) Offer or undertake to diagnose or cure any human disease,
2 ailment, injury, infirmity, deformity, pain, or other condition,
3 physical or mental, real or imaginary, by use of ((~~marijuana~~))
4 cannabis or any other means or instrumentality; or

5 (b) Recommend or suggest modification or elimination of any
6 course of treatment that does not involve the medical use of
7 ((~~marijuana~~)) cannabis.

8 (7) Nothing in this section requires an owner, employee, or
9 volunteer of a retail outlet licensed under RCW 69.50.354 and holding
10 a medical ((~~marijuana~~)) cannabis endorsement under RCW 69.50.375 to
11 obtain a medical ((~~marijuana~~)) cannabis consultant certification.

12 (8) Nothing in this section applies to the practice of a health
13 care profession by individuals who are licensed, certified, or
14 registered in a profession listed in RCW 18.130.040(2) and who are
15 performing services within their authorized scope of practice.

16 **Sec. 133.** RCW 69.51A.300 and 2019 c 55 s 13 are each amended to
17 read as follows:

18 The board of naturopathy, the board of osteopathic medicine and
19 surgery, the Washington medical commission, and the nursing care
20 quality assurance commission shall develop and approve continuing
21 education programs related to the use of ((~~marijuana~~)) cannabis for
22 medical purposes for the health care providers that they each
23 regulate that are based upon practice guidelines that have been
24 adopted by each entity.

25 **Sec. 134.** RCW 69.51A.310 and 2017 c 317 s 11 are each amended to
26 read as follows:

27 Qualifying patients and designated providers, who hold a
28 recognition card and have been entered into the medical ((~~marijuana~~))
29 cannabis authorization database, may purchase immature plants or
30 clones from a licensed ((~~marijuana~~)) cannabis producer as defined in
31 RCW 69.50.101. Qualifying patients and designated providers may also
32 purchase ((~~marijuana~~)) cannabis seeds from a licensed ((~~marijuana~~))
33 cannabis producer.

34 **Sec. 135.** RCW 70.345.010 and 2021 c 65 s 69 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.

- 1 (1) "Board" means the Washington state liquor and cannabis board.
- 2 (2) "Business" means any trade, occupation, activity, or
3 enterprise engaged in for the purpose of selling or distributing
4 vapor products in this state.
- 5 (3) "Child care facility" has the same meaning as provided in RCW
6 70A.320.020.
- 7 (4) "Closed system nicotine container" means a sealed, prefilled,
8 and disposable container of nicotine in a solution or other form in
9 which such container is inserted directly into an electronic
10 cigarette, electronic nicotine delivery system, or other similar
11 product, if the nicotine in the container is inaccessible through
12 customary or reasonably foreseeable handling or use, including
13 reasonably foreseeable ingestion or other contact by children.
- 14 (5) "Delivery sale" means any sale of a vapor product to a
15 purchaser in this state where either:
- 16 (a) The purchaser submits the order for such sale by means of a
17 telephonic or other method of voice transmission, the mails or any
18 other delivery service, or the internet or other online service; or
- 19 (b) The vapor product is delivered by use of the mails or of a
20 delivery service. The foregoing sales of vapor products constitute a
21 delivery sale regardless of whether the seller is located within or
22 without this state. "Delivery sale" does not include a sale of any
23 vapor product not for personal consumption to a retailer.
- 24 (6) "Delivery seller" means a person who makes delivery sales.
- 25 (7) "Distributor" has the same meaning as in RCW 82.25.005.
- 26 (8) "Liquid nicotine container" means a package from which
27 nicotine in a solution or other form is accessible through normal and
28 foreseeable use by a consumer and that is used to hold soluble
29 nicotine in any concentration. "Liquid nicotine container" does not
30 include closed system nicotine containers.
- 31 (9) "Manufacturer" means a person who manufactures and sells
32 vapor products.
- 33 (10) "Person" means any individual, receiver, administrator,
34 executor, assignee, trustee in bankruptcy, trust, estate, firm,
35 copartnership, joint venture, club, company, joint stock company,
36 business trust, municipal corporation, the state and its departments
37 and institutions, political subdivision of the state of Washington,
38 corporation, limited liability company, association, society, any
39 group of individuals acting as a unit, whether mutual, cooperative,
40 fraternal, nonprofit, or otherwise.

1 (11) "Place of business" means any place where vapor products are
2 sold or where vapor products are manufactured, stored, or kept for
3 the purpose of sale.

4 (12) "Playground" means any public improved area designed,
5 equipped, and set aside for play of six or more children which is not
6 intended for use as an athletic playing field or athletic court,
7 including but not limited to any play equipment, surfacing, fencing,
8 signs, internal pathways, internal land forms, vegetation, and
9 related structures.

10 (13) "Retail outlet" means each place of business from which
11 vapor products are sold to consumers.

12 (14) "Retailer" means any person engaged in the business of
13 selling vapor products to ultimate consumers.

14 (15)(a) "Sale" means any transfer, exchange, or barter, in any
15 manner or by any means whatsoever, for a consideration, and includes
16 and means all sales made by any person.

17 (b) The term "sale" includes a gift by a person engaged in the
18 business of selling vapor products, for advertising, promoting, or as
19 a means of evading the provisions of this chapter.

20 (16) "School" has the same meaning as provided in RCW
21 70A.320.020.

22 (17) "Self-service display" means a display that contains vapor
23 products and is located in an area that is openly accessible to
24 customers and from which customers can readily access such products
25 without the assistance of a salesperson. A display case that holds
26 vapor products behind locked doors does not constitute a self-service
27 display.

28 (18) "Vapor product" means any noncombustible product that may
29 contain nicotine and that employs a heating element, power source,
30 electronic circuit, or other electronic, chemical, or mechanical
31 means, regardless of shape or size, that can be used to produce vapor
32 or aerosol from a solution or other substance.

33 (a) "Vapor product" includes any electronic cigarette, electronic
34 cigar, electronic cigarillo, electronic pipe, or similar product or
35 device and any vapor cartridge or other container that may contain
36 nicotine in a solution or other form that is intended to be used with
37 or in an electronic cigarette, electronic cigar, electronic
38 cigarillo, electronic pipe, or similar product or device.

39 (b) "Vapor product" does not include any product that meets the
40 definition of (~~marijuana~~) cannabis, useable (~~marijuana~~,

1 ~~marijuana~~) cannabis, cannabis concentrates, (~~marijuana-infused~~)
2 cannabis-infused products, cigarette, or tobacco products.

3 (c) For purposes of this subsection (18), (~~"marijuana,"~~)
4 "cannabis," "useable (~~marijuana," "marijuana~~) "cannabis," "cannabis
5 concentrates," and (~~"marijuana-infused~~) "cannabis-infused products"
6 have the same meaning as provided in RCW 69.50.101.

7 **Sec. 136.** RCW 79A.60.040 and 2014 c 132 s 1 are each amended to
8 read as follows:

9 (1) It is unlawful for any person to operate a vessel in a
10 reckless manner.

11 (2) It is unlawful for a person to operate a vessel while under
12 the influence of intoxicating liquor, (~~marijuana~~) cannabis, or any
13 drug. A person is considered to be under the influence of
14 intoxicating liquor, (~~marijuana~~) cannabis, or any drug if, within
15 two hours of operating a vessel:

16 (a) The person has an alcohol concentration of 0.08 or higher as
17 shown by analysis of the person's breath or blood made under RCW
18 46.61.506; or

19 (b) The person has a THC concentration of 5.00 or higher as shown
20 by analysis of the person's blood made under RCW 46.61.506; or

21 (c) The person is under the influence of or affected by
22 intoxicating liquor, (~~marijuana~~) cannabis, or any drug; or

23 (d) The person is under the combined influence of or affected by
24 intoxicating liquor, (~~marijuana~~) cannabis, and any drug.

25 (3) The fact that any person charged with a violation of this
26 section is or has been entitled to use such drug under the laws of
27 this state shall not constitute a defense against any charge of
28 violating this section.

29 (4)(a) Any person who operates a vessel within this state is
30 deemed to have given consent, subject to the provisions of RCW
31 46.61.506, to a test or tests of the person's breath for the purpose
32 of determining the alcohol concentration in the person's breath if
33 arrested for any offense where, at the time of the arrest, the
34 arresting officer has reasonable grounds to believe the person was
35 operating a vessel while under the influence of intoxicating liquor
36 or a combination of intoxicating liquor and any other drug.

37 (b) When an arrest results from an accident in which there has
38 been serious bodily injury to another person or death or the
39 arresting officer has reasonable grounds to believe the person was

1 operating a vessel while under the influence of THC or any other
2 drug, a blood test may be administered with the consent of the
3 arrested person and a valid waiver of the warrant requirement or
4 without the consent of the person so arrested pursuant to a search
5 warrant or when exigent circumstances exist.

6 (c) Neither consent nor this section precludes a police officer
7 from obtaining a search warrant for a person's breath or blood.

8 (d) An arresting officer may administer field sobriety tests when
9 circumstances permit.

10 (5) The test or tests of breath must be administered pursuant to
11 RCW 46.20.308. The officer shall warn the person that if the person
12 refuses to take the test, the person will be issued a class 1 civil
13 infraction under RCW 7.80.120.

14 (6) A violation of subsection (1) of this section is a
15 misdemeanor. A violation of subsection (2) of this section is a gross
16 misdemeanor. In addition to the statutory penalties imposed, the
17 court may order the defendant to pay restitution for any damages or
18 injuries resulting from the offense.

19 (7) For the purposes of this subsection, "cannabis" has the
20 meaning provided in RCW 69.50.101.

21 **Sec. 137.** RCW 82.02.010 and 2014 c 140 s 30 are each amended to
22 read as follows:

23 For the purpose of this title, unless the context clearly
24 requires otherwise:

25 (1) "Cannabis," "cannabis-infused products," and "useable
26 cannabis" have the meanings provided in RCW 69.50.101;

27 (2) "Department" means the department of revenue of the state of
28 Washington;

29 ~~((2))~~ (3) "Director" means the director of the department of
30 revenue of the state of Washington;

31 ~~((3) "Marijuana," "marijuana-infused products," and "useable~~
32 ~~marijuana" have the same meanings as provided in RCW 69.50.101;))~~

33 (4) "Taxpayer" includes any individual, group of individuals,
34 corporation, or association liable for any tax or the collection of
35 any tax hereunder, or who engages in any business or performs any act
36 for which a tax is imposed by this title. "Taxpayer" also includes
37 any person liable for any fee or other charge collected by the
38 department under any provision of law, including registration
39 assessments and delinquency fees imposed under RCW 59.30.050; and

1 (5) Words in the singular number include the plural and the
2 plural include the singular. Words in one gender include all other
3 genders.

4 **Sec. 138.** RCW 82.04.100 and 2014 c 140 s 1 are each amended to
5 read as follows:

6 "Extractor" means every person who from the person's own land or
7 from the land of another under a right or license granted by lease or
8 contract, either directly or by contracting with others for the
9 necessary labor or mechanical services, for sale or for commercial or
10 industrial use mines, quarries, takes or produces coal, oil, natural
11 gas, ore, stone, sand, gravel, clay, mineral or other natural
12 resource product, or fells, cuts or takes timber, Christmas trees
13 other than plantation Christmas trees, or other natural products, or
14 takes fish, shellfish, or other sea or inland water foods or
15 products. "Extractor" does not include persons performing under
16 contract the necessary labor or mechanical services for others;
17 persons meeting the definition of farmer under RCW 82.04.213; or
18 persons producing (~~marijuana~~) cannabis.

19 **Sec. 139.** RCW 82.04.213 and 2015 3rd sp.s. c 6 s 1102 are each
20 amended to read as follows:

21 (1) "Agricultural product" means any product of plant cultivation
22 or animal husbandry including, but not limited to: A product of
23 horticulture, grain cultivation, vermiculture, viticulture, or
24 aquaculture as defined in RCW 15.85.020; plantation Christmas trees;
25 short-rotation hardwoods as defined in RCW 84.33.035; turf; or any
26 animal including but not limited to an animal that is a private
27 sector cultured aquatic product as defined in RCW 15.85.020, or a
28 bird, or insect, or the substances obtained from such an animal
29 including honey bee products. "Agricultural product" does not include
30 (~~marijuana~~) cannabis, useable (~~marijuana, or marijuana-infused~~)
31 cannabis, or cannabis-infused products, or animals defined as pet
32 animals under RCW 16.70.020.

33 (2)(a) "Farmer" means any person engaged in the business of
34 growing, raising, or producing, upon the person's own lands or upon
35 the lands in which the person has a present right of possession, any
36 agricultural product to be sold, and the growing, raising, or
37 producing honey bee products for sale, or providing bee pollination
38 services, by an eligible apiarist. "Farmer" does not include a person

1 growing, raising, or producing such products for the person's own
2 consumption; a person selling any animal or substance obtained
3 therefrom in connection with the person's business of operating a
4 stockyard or a slaughter or packing house; or a person in respect to
5 the business of taking, cultivating, or raising timber.

6 (b) "Eligible apiarist" means a person who owns or keeps one or
7 more bee colonies and who grows, raises, or produces honey bee
8 products for sale at wholesale and is registered under RCW 15.60.021.

9 (c) "Honey bee products" means queen honey bees, packaged honey
10 bees, honey, pollen, bees wax, propolis, or other substances obtained
11 from honey bees. "Honey bee products" does not include manufactured
12 substances or articles.

13 (3) The terms "agriculture," "farming," "horticulture,"
14 "horticultural," and "horticultural product" may not be construed to
15 include or relate to (~~marijuana~~) cannabis, useable (~~marijuana, or~~
16 ~~marijuana-infused~~) cannabis, or cannabis-infused products unless the
17 applicable term is explicitly defined to include (~~marijuana~~)
18 cannabis, useable (~~marijuana, or marijuana-infused~~) cannabis, or
19 cannabis-infused products.

20 (4) (~~"Marijuana,"~~) "Cannabis," "useable (~~marijuana," and~~
21 ~~"marijuana-infused~~) cannabis," and "cannabis-infused products" have
22 the same meaning as in RCW 69.50.101.

23 **Sec. 140.** RCW 82.04.260 and 2021 c 145 s 7 are each amended to
24 read as follows:

25 (1) Upon every person engaging within this state in the business
26 of manufacturing:

27 (a) Wheat into flour, barley into pearl barley, soybeans into
28 soybean oil, canola into canola oil, canola meal, or canola by-
29 products, or sunflower seeds into sunflower oil; as to such persons
30 the amount of tax with respect to such business is equal to the value
31 of the flour, pearl barley, oil, canola meal, or canola by-product
32 manufactured, multiplied by the rate of 0.138 percent;

33 (b) Beginning July 1, 2025, seafood products that remain in a
34 raw, raw frozen, or raw salted state at the completion of the
35 manufacturing by that person; or selling manufactured seafood
36 products that remain in a raw, raw frozen, or raw salted state at the
37 completion of the manufacturing, to purchasers who transport in the
38 ordinary course of business the goods out of this state; as to such
39 persons the amount of tax with respect to such business is equal to

1 the value of the products manufactured or the gross proceeds derived
2 from such sales, multiplied by the rate of 0.138 percent. Sellers
3 must keep and preserve records for the period required by RCW
4 82.32.070 establishing that the goods were transported by the
5 purchaser in the ordinary course of business out of this state;

6 (c) (i) Except as provided otherwise in (c) (iii) of this
7 subsection, from July 1, 2025, until January 1, 2036, dairy products;
8 or selling dairy products that the person has manufactured to
9 purchasers who either transport in the ordinary course of business
10 the goods out of state or purchasers who use such dairy products as
11 an ingredient or component in the manufacturing of a dairy product;
12 as to such persons the tax imposed is equal to the value of the
13 products manufactured or the gross proceeds derived from such sales
14 multiplied by the rate of 0.138 percent. Sellers must keep and
15 preserve records for the period required by RCW 82.32.070
16 establishing that the goods were transported by the purchaser in the
17 ordinary course of business out of this state or sold to a
18 manufacturer for use as an ingredient or component in the
19 manufacturing of a dairy product.

20 (ii) For the purposes of this subsection (1) (c), "dairy products"
21 means:

22 (A) Products, not including any (~~marijuana-infused~~) cannabis-
23 infused product, that as of September 20, 2001, are identified in 21
24 C.F.R., chapter 1, parts 131, 133, and 135, including by-products
25 from the manufacturing of the dairy products, such as whey and
26 casein; and

27 (B) Products comprised of not less than seventy percent dairy
28 products that qualify under (c) (ii) (A) of this subsection, measured
29 by weight or volume.

30 (iii) The preferential tax rate provided to taxpayers under this
31 subsection (1) (c) does not apply to sales of dairy products on or
32 after July 1, 2023, where a dairy product is used by the purchaser as
33 an ingredient or component in the manufacturing in Washington of a
34 dairy product;

35 (d) (i) Beginning July 1, 2025, fruits or vegetables by canning,
36 preserving, freezing, processing, or dehydrating fresh fruits or
37 vegetables, or selling at wholesale fruits or vegetables manufactured
38 by the seller by canning, preserving, freezing, processing, or
39 dehydrating fresh fruits or vegetables and sold to purchasers who
40 transport in the ordinary course of business the goods out of this

1 state; as to such persons the amount of tax with respect to such
2 business is equal to the value of the products manufactured or the
3 gross proceeds derived from such sales multiplied by the rate of
4 0.138 percent. Sellers must keep and preserve records for the period
5 required by RCW 82.32.070 establishing that the goods were
6 transported by the purchaser in the ordinary course of business out
7 of this state.

8 (ii) For purposes of this subsection (1)(d), "fruits" and
9 "vegetables" do not include (~~marijuana~~) cannabis, useable
10 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
11 products; and

12 (e) Wood biomass fuel; as to such persons the amount of tax with
13 respect to the business is equal to the value of wood biomass fuel
14 manufactured, multiplied by the rate of 0.138 percent. For the
15 purposes of this section, "wood biomass fuel" means a liquid or
16 gaseous fuel that is produced from lignocellulosic feedstocks,
17 including wood, forest, or field residue and dedicated energy crops,
18 and that does not include wood treated with chemical preservations
19 such as creosote, pentachlorophenol, or copper-chrome-arsenic.

20 (2) Upon every person engaging within this state in the business
21 of splitting or processing dried peas; as to such persons the amount
22 of tax with respect to such business is equal to the value of the
23 peas split or processed, multiplied by the rate of 0.138 percent.

24 (3) Upon every nonprofit corporation and nonprofit association
25 engaging within this state in research and development, as to such
26 corporations and associations, the amount of tax with respect to such
27 activities is equal to the gross income derived from such activities
28 multiplied by the rate of 0.484 percent.

29 (4) Upon every person engaging within this state in the business
30 of slaughtering, breaking and/or processing perishable meat products
31 and/or selling the same at wholesale only and not at retail; as to
32 such persons the tax imposed is equal to the gross proceeds derived
33 from such sales multiplied by the rate of 0.138 percent.

34 (5)(a) Upon every person engaging within this state in the
35 business of acting as a travel agent or tour operator and whose
36 annual taxable amount for the prior calendar year from such business
37 was two hundred fifty thousand dollars or less; as to such persons
38 the amount of the tax with respect to such activities is equal to the
39 gross income derived from such activities multiplied by the rate of
40 0.275 percent.

1 (b) Upon every person engaging within this state in the business
2 of acting as a travel agent or tour operator and whose annual taxable
3 amount for the prior calendar year from such business was more than
4 two hundred fifty thousand dollars; as to such persons the amount of
5 the tax with respect to such activities is equal to the gross income
6 derived from such activities multiplied by the rate of 0.275 percent
7 through June 30, 2019, and 0.9 percent beginning July 1, 2019.

8 (6) Upon every person engaging within this state in business as
9 an international steamship agent, international customs house broker,
10 international freight forwarder, vessel and/or cargo charter broker
11 in foreign commerce, and/or international air cargo agent; as to such
12 persons the amount of the tax with respect to only international
13 activities is equal to the gross income derived from such activities
14 multiplied by the rate of 0.275 percent.

15 (7) Upon every person engaging within this state in the business
16 of stevedoring and associated activities pertinent to the movement of
17 goods and commodities in waterborne interstate or foreign commerce;
18 as to such persons the amount of tax with respect to such business is
19 equal to the gross proceeds derived from such activities multiplied
20 by the rate of 0.275 percent. Persons subject to taxation under this
21 subsection are exempt from payment of taxes imposed by chapter 82.16
22 RCW for that portion of their business subject to taxation under this
23 subsection. Stevedoring and associated activities pertinent to the
24 conduct of goods and commodities in waterborne interstate or foreign
25 commerce are defined as all activities of a labor, service or
26 transportation nature whereby cargo may be loaded or unloaded to or
27 from vessels or barges, passing over, onto or under a wharf, pier, or
28 similar structure; cargo may be moved to a warehouse or similar
29 holding or storage yard or area to await further movement in import
30 or export or may move to a consolidation freight station and be
31 stuffed, unstuffed, containerized, separated or otherwise segregated
32 or aggregated for delivery or loaded on any mode of transportation
33 for delivery to its consignee. Specific activities included in this
34 definition are: Wharfage, handling, loading, unloading, moving of
35 cargo to a convenient place of delivery to the consignee or a
36 convenient place for further movement to export mode; documentation
37 services in connection with the receipt, delivery, checking, care,
38 custody and control of cargo required in the transfer of cargo;
39 imported automobile handling prior to delivery to consignee; terminal
40 stevedoring and incidental vessel services, including but not limited

1 to plugging and unplugging refrigerator service to containers,
2 trailers, and other refrigerated cargo receptacles, and securing ship
3 hatch covers.

4 (8)(a) Upon every person engaging within this state in the
5 business of disposing of low-level waste, as defined in RCW
6 70A.380.010; as to such persons the amount of the tax with respect to
7 such business is equal to the gross income of the business, excluding
8 any fees imposed under chapter 70A.384 RCW, multiplied by the rate of
9 3.3 percent.

10 (b) If the gross income of the taxpayer is attributable to
11 activities both within and without this state, the gross income
12 attributable to this state must be determined in accordance with the
13 methods of apportionment required under RCW 82.04.460.

14 (9) Upon every person engaging within this state as an insurance
15 producer or title insurance agent licensed under chapter 48.17 RCW or
16 a surplus line broker licensed under chapter 48.15 RCW; as to such
17 persons, the amount of the tax with respect to such licensed
18 activities is equal to the gross income of such business multiplied
19 by the rate of 0.484 percent.

20 (10) Upon every person engaging within this state in business as
21 a hospital, as defined in chapter 70.41 RCW, that is operated as a
22 nonprofit corporation or by the state or any of its political
23 subdivisions, as to such persons, the amount of tax with respect to
24 such activities is equal to the gross income of the business
25 multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5
26 percent thereafter.

27 (11)(a) Beginning October 1, 2005, upon every person engaging
28 within this state in the business of manufacturing commercial
29 airplanes, or components of such airplanes, or making sales, at
30 retail or wholesale, of commercial airplanes or components of such
31 airplanes, manufactured by the seller, as to such persons the amount
32 of tax with respect to such business is, in the case of
33 manufacturers, equal to the value of the product manufactured and the
34 gross proceeds of sales of the product manufactured, or in the case
35 of processors for hire, equal to the gross income of the business,
36 multiplied by the rate of:

- 37 (i) 0.4235 percent from October 1, 2005, through June 30, 2007;
38 (ii) 0.2904 percent beginning July 1, 2007, through March 31,
39 2020; and

1 (iii) Beginning April 1, 2020, 0.484 percent, subject to any
2 reduction required under (e) of this subsection (11). The tax rate in
3 this subsection (11)(a)(iii) applies to all business activities
4 described in this subsection (11)(a).

5 (b) Beginning July 1, 2008, upon every person who is not eligible
6 to report under the provisions of (a) of this subsection (11) and is
7 engaging within this state in the business of manufacturing tooling
8 specifically designed for use in manufacturing commercial airplanes
9 or components of such airplanes, or making sales, at retail or
10 wholesale, of such tooling manufactured by the seller, as to such
11 persons the amount of tax with respect to such business is, in the
12 case of manufacturers, equal to the value of the product manufactured
13 and the gross proceeds of sales of the product manufactured, or in
14 the case of processors for hire, be equal to the gross income of the
15 business, multiplied by the rate of:

16 (i) 0.2904 percent through March 31, 2020; and

17 (ii) Beginning April 1, 2020, the following rates, which are
18 subject to any reduction required under (e) of this subsection (11):

19 (A) The rate under RCW 82.04.250(1) on the business of making
20 retail sales of tooling specifically designed for use in
21 manufacturing commercial airplanes or components of such airplanes;
22 and

23 (B) 0.484 percent on all other business activities described in
24 this subsection (11)(b).

25 (c) For the purposes of this subsection (11), "commercial
26 airplane" and "component" have the same meanings as provided in RCW
27 82.32.550.

28 (d)(i) In addition to all other requirements under this title, a
29 person reporting under the tax rate provided in this subsection (11)
30 must file a complete annual tax performance report with the
31 department under RCW 82.32.534. However, this requirement does not
32 apply to persons reporting under the tax rate in (a)(iii) of this
33 subsection (11), so long as that rate remains 0.484 percent, or under
34 any of the tax rates in (b)(ii)(A) and (B) of this subsection (11),
35 so long as those tax rates remain the rate imposed pursuant to RCW
36 82.04.250(1) and 0.484 percent, respectively.

37 (ii) Nothing in (d)(i) of this subsection (11) may be construed
38 as affecting the obligation of a person reporting under a tax rate
39 provided in this subsection (11) to file a complete annual tax
40 performance report with the department under RCW 82.32.534: (A)

1 Pursuant to another provision of this title as a result of claiming a
2 tax credit or exemption; or (B) pursuant to (d)(i) of this subsection
3 (11) as a result of claiming the tax rates in (a)(ii) or (b)(i) of
4 this subsection (11) for periods ending before April 1, 2020.

5 (e)(i) After March 31, 2021, the tax rates under (a)(iii) and
6 (b)(ii) of this subsection (11) must be reduced to 0.357 percent
7 provided the conditions in RCW 82.04.2602 are met. The effective date
8 of the rates authorized under this subsection (11)(e) must occur on
9 the first day of the next calendar quarter that is at least sixty
10 days after the department receives the last of the two written
11 notices pursuant to RCW 82.04.2602 (3) and (4).

12 (ii) Both a significant commercial airplane manufacturer
13 separately and the rest of the aerospace industry as a whole,
14 receiving the rate of 0.357 percent under this subsection (11)(e) are
15 subject to the aerospace apprenticeship utilization rates required
16 under RCW 49.04.220 by April 1, 2026, or five years after the
17 effective date of the 0.357 percent rate authorized under this
18 subsection (11)(e), whichever is later, as determined by the
19 department of labor and industries.

20 (iii) The provisions of RCW 82.32.805 and 82.32.808 do not apply
21 to this subsection (11)(e).

22 (f)(i) Except as provided in (f)(ii) of this subsection (11),
23 this subsection (11) does not apply on and after July 1, 2040.

24 (ii) With respect to the manufacturing of commercial airplanes or
25 making sales, at retail or wholesale, of commercial airplanes, this
26 subsection (11) does not apply on and after July 1st of the year in
27 which the department makes a determination that any final assembly or
28 wing assembly of any version or variant of a commercial airplane that
29 is the basis of a siting of a significant commercial airplane
30 manufacturing program in the state under RCW 82.32.850 has been sited
31 outside the state of Washington. This subsection (11)(f)(ii) only
32 applies to the manufacturing or sale of commercial airplanes that are
33 the basis of a siting of a significant commercial airplane
34 manufacturing program in the state under RCW 82.32.850. This
35 subsection (11)(f)(ii) continues to apply during the time that a
36 person is subject to the tax rate in (a)(iii) of this subsection
37 (11).

38 (g) For the purposes of this subsection, "a significant
39 commercial airplane manufacturer" means a manufacturer of commercial

1 airplanes with at least fifty thousand full-time employees in
2 Washington as of January 1, 2021.

3 (12)(a) Until July 1, 2045, upon every person engaging within
4 this state in the business of extracting timber or extracting for
5 hire timber; as to such persons the amount of tax with respect to the
6 business is, in the case of extractors, equal to the value of
7 products, including by-products, extracted, or in the case of
8 extractors for hire, equal to the gross income of the business,
9 multiplied by the rate of 0.4235 percent from July 1, 2006, through
10 June 30, 2007, and 0.2904 percent from July 1, 2007, through June 30,
11 2045.

12 (b) Until July 1, 2045, upon every person engaging within this
13 state in the business of manufacturing or processing for hire: (i)
14 Timber into timber products or wood products; (ii) timber products
15 into other timber products or wood products; or (iii) products
16 defined in RCW 19.27.570(1); as to such persons the amount of the tax
17 with respect to the business is, in the case of manufacturers, equal
18 to the value of products, including by-products, manufactured, or in
19 the case of processors for hire, equal to the gross income of the
20 business, multiplied by the rate of 0.4235 percent from July 1, 2006,
21 through June 30, 2007, and 0.2904 percent from July 1, 2007, through
22 June 30, 2045.

23 (c) Until July 1, 2045, upon every person engaging within this
24 state in the business of selling at wholesale: (i) Timber extracted
25 by that person; (ii) timber products manufactured by that person from
26 timber or other timber products; (iii) wood products manufactured by
27 that person from timber or timber products; or (iv) products defined
28 in RCW 19.27.570(1) manufactured by that person; as to such persons
29 the amount of the tax with respect to the business is equal to the
30 gross proceeds of sales of the timber, timber products, wood
31 products, or products defined in RCW 19.27.570(1) multiplied by the
32 rate of 0.4235 percent from July 1, 2006, through June 30, 2007, and
33 0.2904 percent from July 1, 2007, through June 30, 2045.

34 (d) Until July 1, 2045, upon every person engaging within this
35 state in the business of selling standing timber; as to such persons
36 the amount of the tax with respect to the business is equal to the
37 gross income of the business multiplied by the rate of 0.2904
38 percent. For purposes of this subsection (12)(d), "selling standing
39 timber" means the sale of timber apart from the land, where the buyer
40 is required to sever the timber within thirty months from the date of

1 the original contract, regardless of the method of payment for the
2 timber and whether title to the timber transfers before, upon, or
3 after severance.

4 (e) For purposes of this subsection, the following definitions
5 apply:

6 (i) "Biocomposite surface products" means surface material
7 products containing, by weight or volume, more than fifty percent
8 recycled paper and that also use nonpetroleum-based phenolic resin as
9 a bonding agent.

10 (ii) "Paper and paper products" means products made of interwoven
11 cellulosic fibers held together largely by hydrogen bonding. "Paper
12 and paper products" includes newsprint; office, printing, fine, and
13 pressure-sensitive papers; paper napkins, towels, and toilet tissue;
14 kraft bag, construction, and other kraft industrial papers;
15 paperboard, liquid packaging containers, containerboard, corrugated,
16 and solid-fiber containers including linerboard and corrugated
17 medium; and related types of cellulosic products containing
18 primarily, by weight or volume, cellulosic materials. "Paper and
19 paper products" does not include books, newspapers, magazines,
20 periodicals, and other printed publications, advertising materials,
21 calendars, and similar types of printed materials.

22 (iii) "Recycled paper" means paper and paper products having
23 fifty percent or more of their fiber content that comes from
24 postconsumer waste. For purposes of this subsection (12)(e)(iii),
25 "postconsumer waste" means a finished material that would normally be
26 disposed of as solid waste, having completed its life cycle as a
27 consumer item.

28 (iv) "Timber" means forest trees, standing or down, on privately
29 or publicly owned land. "Timber" does not include Christmas trees
30 that are cultivated by agricultural methods or short-rotation
31 hardwoods as defined in RCW 84.33.035.

32 (v) "Timber products" means:

33 (A) Logs, wood chips, sawdust, wood waste, and similar products
34 obtained wholly from the processing of timber, short-rotation
35 hardwoods as defined in RCW 84.33.035, or both;

36 (B) Pulp, including market pulp and pulp derived from recovered
37 paper or paper products; and

38 (C) Recycled paper, but only when used in the manufacture of
39 biocomposite surface products.

1 (vi) "Wood products" means paper and paper products; dimensional
2 lumber; engineered wood products such as particleboard, oriented
3 strand board, medium density fiberboard, and plywood; wood doors;
4 wood windows; and biocomposite surface products.

5 (f) Except for small harvesters as defined in RCW 84.33.035, a
6 person reporting under the tax rate provided in this subsection (12)
7 must file a complete annual tax performance report with the
8 department under RCW 82.32.534.

9 (g) Nothing in this subsection (12) may be construed to affect
10 the taxation of any activity defined as a retail sale in RCW
11 82.04.050(2) (b) or (c), defined as a wholesale sale in RCW
12 82.04.060(2), or taxed under RCW 82.04.280(1)(g).

13 (13) Upon every person engaging within this state in inspecting,
14 testing, labeling, and storing canned salmon owned by another person,
15 as to such persons, the amount of tax with respect to such activities
16 is equal to the gross income derived from such activities multiplied
17 by the rate of 0.484 percent.

18 (14)(a) Upon every person engaging within this state in the
19 business of printing a newspaper, publishing a newspaper, or both,
20 the amount of tax on such business is equal to the gross income of
21 the business multiplied by the rate of 0.35 percent until July 1,
22 2024, and 0.484 percent thereafter.

23 (b) A person reporting under the tax rate provided in this
24 subsection (14) must file a complete annual tax performance report
25 with the department under RCW 82.32.534.

26 **Sec. 141.** RCW 82.04.331 and 2014 c 140 s 8 are each amended to
27 read as follows:

28 (1) This chapter does not apply to amounts received by a person
29 engaging within this state in the business of: (a) Making wholesale
30 sales to farmers of seed conditioned for use in planting and not
31 packaged for retail sale; or (b) conditioning seed for planting owned
32 by others.

33 (2) For the purposes of this section, "seed" means seed potatoes
34 and all other "agricultural seed" as defined in RCW 15.49.011. "Seed"
35 does not include "flower seeds" or "vegetable seeds" as defined in
36 RCW 15.49.011, or any other seeds or propagative portions of plants
37 used to grow (~~marijuana~~) cannabis, ornamental flowers, or any type
38 of bush, moss, fern, shrub, or tree.

1 **Sec. 142.** RCW 82.04.4266 and 2020 c 139 s 5 are each amended to
2 read as follows:

3 (1) This chapter does not apply to the value of products or the
4 gross proceeds of sales derived from:

5 (a) Manufacturing fruits or vegetables by canning, preserving,
6 freezing, processing, or dehydrating fresh fruits or vegetables; or

7 (b) Selling at wholesale fruits or vegetables manufactured by the
8 seller by canning, preserving, freezing, processing, or dehydrating
9 fresh fruits or vegetables and sold to purchasers who transport in
10 the ordinary course of business the goods out of this state. A person
11 taking an exemption under this subsection (1)(b) must keep and
12 preserve records for the period required by RCW 82.32.070
13 establishing that the goods were transported by the purchaser in the
14 ordinary course of business out of this state.

15 (2) For purposes of this section, "fruits" and "vegetables" do
16 not include ((marijuana)) cannabis, useable ((marijuana, or
17 marijuana-infused)) cannabis, or cannabis-infused products.

18 (3) A person claiming the exemption provided in this section must
19 file a complete annual tax performance report with the department
20 under RCW 82.32.534.

21 (4) This section expires July 1, 2025.

22 **Sec. 143.** RCW 82.04.756 and 2015 c 70 s 40 are each amended to
23 read as follows:

24 (1) This chapter does not apply to any cooperative in respect to
25 growing ((marijuana)) cannabis, or manufacturing ((marijuana))
26 cannabis concentrates, useable ((marijuana, or marijuana-infused))
27 cannabis, or cannabis-infused products, as those terms are defined in
28 RCW 69.50.101.

29 (2) The tax preference authorized in this section is not subject
30 to the provisions of RCW 82.32.805 and 82.32.808.

31 **Sec. 144.** RCW 82.08.010 and 2021 c 225 s 3 are each amended to
32 read as follows:

33 For the purposes of this chapter:

34 (1)(a)(i) "Selling price" includes "sales price." "Sales price"
35 means the total amount of consideration, except separately stated
36 trade-in property of like kind, including cash, credit, property, and
37 services, for which tangible personal property, extended warranties,
38 digital goods, digital codes, digital automated services, or other

1 services or anything else defined as a "retail sale" under RCW
2 82.04.050 are sold, leased, or rented, valued in money, whether
3 received in money or otherwise. Except as otherwise provided in this
4 subsection (1), no deduction from the total amount of consideration
5 is allowed for the following: (A) The seller's cost of the property
6 sold; (B) the cost of materials used, labor or service cost,
7 interest, losses, all costs of transportation to the seller, all
8 taxes imposed on the seller, and any other expense of the seller; (C)
9 charges by the seller for any services necessary to complete the
10 sale, other than delivery and installation charges; (D) delivery
11 charges; and (E) installation charges.

12 (ii) When tangible personal property is rented or leased under
13 circumstances that the consideration paid does not represent a
14 reasonable rental for the use of the articles so rented or leased,
15 the "selling price" must be determined as nearly as possible
16 according to the value of such use at the places of use of similar
17 products of like quality and character under such rules as the
18 department may prescribe;

19 (b) "Selling price" or "sales price" does not include: Discounts,
20 including cash, term, or coupons that are not reimbursed by a third
21 party that are allowed by a seller and taken by a purchaser on a
22 sale; interest, financing, and carrying charges from credit extended
23 on the sale of tangible personal property, extended warranties,
24 digital goods, digital codes, digital automated services, or other
25 services or anything else defined as a retail sale in RCW 82.04.050,
26 if the amount is separately stated on the invoice, bill of sale, or
27 similar document given to the purchaser; and any taxes legally
28 imposed directly on the consumer, or collected from the consumer
29 pursuant to RCW 35.87A.010(2)(b), that are separately stated on the
30 invoice, bill of sale, or similar document given to the purchaser;

31 (c) "Selling price" or "sales price" includes consideration
32 received by the seller from a third party if:

33 (i) The seller actually receives consideration from a party other
34 than the purchaser, and the consideration is directly related to a
35 price reduction or discount on the sale;

36 (ii) The seller has an obligation to pass the price reduction or
37 discount through to the purchaser;

38 (iii) The amount of the consideration attributable to the sale is
39 fixed and determinable by the seller at the time of the sale of the
40 item to the purchaser; and

1 (iv) One of the criteria in this subsection (1)(c)(iv) is met:

2 (A) The purchaser presents a coupon, certificate, or other
3 documentation to the seller to claim a price reduction or discount
4 where the coupon, certificate, or documentation is authorized,
5 distributed, or granted by a third party with the understanding that
6 the third party will reimburse any seller to whom the coupon,
7 certificate, or documentation is presented;

8 (B) The purchaser identifies himself or herself to the seller as
9 a member of a group or organization entitled to a price reduction or
10 discount, however a "preferred customer" card that is available to
11 any patron does not constitute membership in such a group; or

12 (C) The price reduction or discount is identified as a third
13 party price reduction or discount on the invoice received by the
14 purchaser or on a coupon, certificate, or other documentation
15 presented by the purchaser;

16 (2)(a)(i) "Seller" means every person, including the state and
17 its departments and institutions, making sales at retail or retail
18 sales to a buyer, purchaser, or consumer, whether as agent, broker,
19 or principal, except as otherwise provided in this subsection (2).

20 (ii) "Seller" includes marketplace facilitators, whether making
21 sales in their own right or facilitating sales on behalf of
22 marketplace sellers.

23 (b)(i) "Seller" does not include:

24 (A) The state and its departments and institutions when making
25 sales to the state and its departments and institutions; or

26 (B) A professional employer organization when a covered employee
27 coemployed with the client under the terms of a professional employer
28 agreement engages in activities that constitute a sale at retail that
29 is subject to the tax imposed by this chapter. In such cases, the
30 client, and not the professional employer organization, is deemed to
31 be the seller and is responsible for collecting and remitting the tax
32 imposed by this chapter.

33 (ii) For the purposes of this subsection (2)(b), the terms
34 "client," "covered employee," "professional employer agreement," and
35 "professional employer organization" have the same meanings as in RCW
36 82.04.540;

37 (3) "Buyer," "purchaser," and "consumer" include, without
38 limiting the scope hereof, every individual, receiver, assignee,
39 trustee in bankruptcy, trust, estate, firm, copartnership, joint
40 venture, club, company, joint stock company, business trust,

1 corporation, association, society, or any group of individuals acting
2 as a unit, whether mutual, cooperative, fraternal, nonprofit, or
3 otherwise, municipal corporation, quasi municipal corporation, and
4 also the state, its departments and institutions and all political
5 subdivisions thereof, irrespective of the nature of the activities
6 engaged in or functions performed, and also the United States or any
7 instrumentality thereof;

8 (4) "Delivery charges" means charges by the seller of personal
9 property or services for preparation and delivery to a location
10 designated by the purchaser of personal property or services
11 including, but not limited to, transportation, shipping, postage,
12 handling, crating, and packing;

13 (5) "Direct mail" means printed material delivered or distributed
14 by United States mail or other delivery service to a mass audience or
15 to addressees on a mailing list provided by the purchaser or at the
16 direction of the purchaser when the cost of the items are not billed
17 directly to the recipients. "Direct mail" includes tangible personal
18 property supplied directly or indirectly by the purchaser to the
19 direct mail seller for inclusion in the package containing the
20 printed material. "Direct mail" does not include multiple items of
21 printed material delivered to a single address;

22 (6) The meaning attributed in chapter 82.04 RCW to the terms "tax
23 year," "taxable year," "person," "company," "sale," "sale at
24 wholesale," "wholesale," "business," "engaging in business," "cash
25 discount," "successor," "consumer," "in this state," "within this
26 state," (~~("marijuana,")~~) "cannabis," "useable (~~("marijuana," and
27 ~~"marijuana-infused")~~) cannabis," and "cannabis-infused products"
28 applies equally to the provisions of this chapter;~~

29 (7) For the purposes of the taxes imposed under this chapter and
30 under chapter 82.12 RCW, "tangible personal property" means personal
31 property that can be seen, weighed, measured, felt, or touched, or
32 that is in any other manner perceptible to the senses. Tangible
33 personal property includes electricity, water, gas, steam, and
34 prewritten computer software;

35 (8) "Extended warranty" has the same meaning as in RCW
36 82.04.050(7);

37 (9) The definitions in RCW 82.04.192 apply to this chapter;

38 (10) For the purposes of the taxes imposed under this chapter and
39 chapter 82.12 RCW, whenever the terms "property" or "personal

1 property" are used, those terms must be construed to include digital
2 goods and digital codes unless:

3 (a) It is clear from the context that the term "personal
4 property" is intended only to refer to tangible personal property;

5 (b) It is clear from the context that the term "property" is
6 intended only to refer to tangible personal property, real property,
7 or both; or

8 (c) To construe the term "property" or "personal property" as
9 including digital goods and digital codes would yield unlikely,
10 absurd, or strained consequences; and

11 (11) "Retail sale" or "sale at retail" means any sale, lease, or
12 rental for any purpose other than for resale, sublease, or subrent.

13 (12) The terms "agriculture," "farming," "horticulture,"
14 "horticultural," and "horticultural product" may not be construed to
15 include or relate to ((~~marijuana~~)) cannabis, useable ((~~marijuana, or~~
16 ~~marijuana-infused~~)) cannabis, or cannabis-infused products unless the
17 applicable term is explicitly defined to include ((~~marijuana~~))
18 cannabis, useable ((~~marijuana, or marijuana-infused~~)) cannabis, or
19 cannabis-infused products.

20 (13)(a) "Affiliated person" means a person that, with respect to
21 another person:

22 (i) Has an ownership interest of more than five percent, whether
23 direct or indirect, in the other person; or

24 (ii) Is related to the other person because a third person, or
25 group of third persons who are affiliated persons with respect to
26 each other, holds an ownership interest of more than five percent,
27 whether direct or indirect, in the related persons.

28 (b) For purposes of this subsection (13):

29 (i) "Ownership interest" means the possession of equity in the
30 capital, the stock, or the profits of the other person; and

31 (ii) An indirect ownership interest in a person is an ownership
32 interest in an entity that has an ownership interest in the person or
33 in an entity that has an indirect ownership interest in the person.

34 (14) "Marketplace" means a physical or electronic place,
35 including, but not limited to, a store, a booth, an internet website,
36 a catalog or a dedicated sales software application, where tangible
37 personal property, digital codes and digital products, or services
38 are offered for sale.

39 (15)(a) "Marketplace facilitator" means a person that:

1 (i) Contracts with sellers to facilitate for consideration,
2 regardless of whether deducted as fees from the transaction, the sale
3 of the seller's products through a marketplace owned or operated by
4 the person;

5 (ii) Engages directly or indirectly, through one or more
6 affiliated persons, in transmitting or otherwise communicating the
7 offer or acceptance between the buyer and seller. For purposes of
8 this subsection, mere advertising does not constitute transmitting or
9 otherwise communicating the offer or acceptance between the buyer and
10 seller; and

11 (iii) Engages directly or indirectly, through one or more
12 affiliated persons, in any of the following activities with respect
13 to the seller's products:

14 (A) Payment processing services;

15 (B) Fulfillment or storage services;

16 (C) Listing products for sale;

17 (D) Setting prices;

18 (E) Branding sales as those of the marketplace facilitator;

19 (F) Taking orders; or

20 (G) Providing customer service or accepting or assisting with
21 returns or exchanges.

22 (b) (i) "Marketplace facilitator" does not include:

23 (A) A person who provides internet advertising services,
24 including listing products for sale, so long as the person does not
25 also engage in the activity described in (a) (ii) of this subsection
26 (15) in addition to any of the activities described in (a) (iii) of
27 this subsection (15); or

28 (B) A person with respect to the provision of travel agency
29 services or the operation of a marketplace or that portion of a
30 marketplace that enables consumers to purchase transient lodging
31 accommodations in a hotel or other commercial transient lodging
32 facility.

33 (ii) The exclusion in this subsection (15) (b) does not apply to a
34 marketplace or that portion of a marketplace that facilitates the
35 retail sale of transient lodging accommodations in homes, apartments,
36 cabins, or other residential dwelling units.

37 (iii) For purposes of this subsection (15) (b), the following
38 definitions apply:

39 (A) "Hotel" has the same meaning as in RCW 19.48.010.

1 (B) "Travel agency services" means arranging or booking, for a
2 commission, fee or other consideration, vacation or travel packages,
3 rental car or other travel reservations or accommodations, tickets
4 for domestic or foreign travel by air, rail, ship, bus, or other
5 medium of transportation, or hotel or other lodging accommodations.

6 (16) "Marketplace seller" means a seller that makes retail sales
7 through any marketplace operated by a marketplace facilitator,
8 regardless of whether the seller is required to be registered with
9 the department under RCW 82.32.030.

10 (17) "Remote seller" means any seller, including a marketplace
11 facilitator, who does not have a physical presence in this state and
12 makes retail sales to purchasers or facilitates retail sales on
13 behalf of marketplace sellers.

14 **Sec. 145.** RCW 82.08.020 and 2014 c 140 s 12 are each amended to
15 read as follows:

16 (1) There is levied and collected a tax equal to six and five-
17 tenths percent of the selling price on each retail sale in this state
18 of:

19 (a) Tangible personal property, unless the sale is specifically
20 excluded from the RCW 82.04.050 definition of retail sale;

21 (b) Digital goods, digital codes, and digital automated services,
22 if the sale is included within the RCW 82.04.050 definition of retail
23 sale;

24 (c) Services, other than digital automated services, included
25 within the RCW 82.04.050 definition of retail sale;

26 (d) Extended warranties to consumers; and

27 (e) Anything else, the sale of which is included within the RCW
28 82.04.050 definition of retail sale.

29 (2) There is levied and collected an additional tax on each
30 retail car rental, regardless of whether the vehicle is licensed in
31 this state, equal to five and nine-tenths percent of the selling
32 price. The revenue collected under this subsection must be deposited
33 in the multimodal transportation account created in RCW 47.66.070.

34 (3) Beginning July 1, 2003, there is levied and collected an
35 additional tax of three-tenths of one percent of the selling price on
36 each retail sale of a motor vehicle in this state, other than retail
37 car rentals taxed under subsection (2) of this section. The revenue
38 collected under this subsection must be deposited in the multimodal
39 transportation account created in RCW 47.66.070.

1 (4) For purposes of subsection (3) of this section, "motor
2 vehicle" has the meaning provided in RCW 46.04.320, but does not
3 include:

4 (a) Farm tractors or farm vehicles as defined in RCW 46.04.180
5 and 46.04.181, unless the farm tractor or farm vehicle is for use in
6 the production of (~~marijuana~~) cannabis;

7 (b) Off-road vehicles as defined in RCW 46.04.365;

8 (c) Nonhighway vehicles as defined in RCW 46.09.310; and

9 (d) Snowmobiles as defined in RCW 46.04.546.

10 (5) Beginning on December 8, 2005, 0.16 percent of the taxes
11 collected under subsection (1) of this section must be dedicated to
12 funding comprehensive performance audits required under RCW
13 43.09.470. The revenue identified in this subsection must be
14 deposited in the performance audits of government account created in
15 RCW 43.09.475.

16 (6) The taxes imposed under this chapter apply to successive
17 retail sales of the same property.

18 (7) The rates provided in this section apply to taxes imposed
19 under chapter 82.12 RCW as provided in RCW 82.12.020.

20 **Sec. 146.** RCW 82.08.02565 and 2015 3rd sp.s. c 5 s 301 are each
21 amended to read as follows:

22 (1)(a) The tax levied by RCW 82.08.020 does not apply to sales to
23 a manufacturer or processor for hire of machinery and equipment used
24 directly in a manufacturing operation or research and development
25 operation, to sales to a person engaged in testing for a manufacturer
26 or processor for hire of machinery and equipment used directly in a
27 testing operation, or to sales of or charges made for labor and
28 services rendered in respect to installing, repairing, cleaning,
29 altering, or improving the machinery and equipment.

30 (b) Except as provided in (c) of this subsection, sellers making
31 tax-exempt sales under this section must obtain from the purchaser an
32 exemption certificate in a form and manner prescribed by the
33 department by rule. The seller must retain a copy of the certificate
34 for the seller's files.

35 (c)(i) The exemption under this section is in the form of a
36 remittance for a gas distribution business, as defined in RCW
37 82.16.010, claiming the exemption for machinery and equipment used
38 for the production of compressed natural gas or liquefied natural gas
39 for use as a transportation fuel.

1 (ii) A gas distribution business claiming an exemption from state
2 and local tax in the form of a remittance under this section must pay
3 the tax under RCW 82.08.020 and all applicable local sales taxes.
4 Beginning July 1, 2017, the gas distribution business may then apply
5 to the department for remittance of state and local sales and use
6 taxes. A gas distribution business may not apply for a remittance
7 more frequently than once a quarter. The gas distribution business
8 must specify the amount of exempted tax claimed and the qualifying
9 purchases for which the exemption is claimed. The gas distribution
10 business must retain, in adequate detail, records to enable the
11 department to determine whether the business is entitled to an
12 exemption under this section, including: Invoices; proof of tax paid;
13 and documents describing the machinery and equipment.

14 (iii) The department must determine eligibility under this
15 section based on the information provided by the gas distribution
16 business, which is subject to audit verification by the department.
17 The department must on a quarterly basis remit exempted amounts to
18 qualifying businesses who submitted applications during the previous
19 quarter.

20 (iv) Beginning July 1, 2028, a gas distribution business may not
21 apply for a refund under this section or RCW 82.12.02565.

22 (2) For purposes of this section and RCW 82.12.02565:

23 (a) "Machinery and equipment" means industrial fixtures, devices,
24 and support facilities, and tangible personal property that becomes
25 an ingredient or component thereof, including repair parts and
26 replacement parts. "Machinery and equipment" includes pollution
27 control equipment installed and used in a manufacturing operation,
28 testing operation, or research and development operation to prevent
29 air pollution, water pollution, or contamination that might otherwise
30 result from the manufacturing operation, testing operation, or
31 research and development operation. "Machinery and equipment" also
32 includes digital goods.

33 (b) "Machinery and equipment" does not include:

34 (i) Hand-powered tools;

35 (ii) Property with a useful life of less than one year;

36 (iii) Buildings, other than machinery and equipment that is
37 permanently affixed to or becomes a physical part of a building; and

38 (iv) Building fixtures that are not integral to the manufacturing
39 operation, testing operation, or research and development operation
40 that are permanently affixed to and become a physical part of a

1 building, such as utility systems for heating, ventilation, air
2 conditioning, communications, plumbing, or electrical.

3 (c) Machinery and equipment is "used directly" in a manufacturing
4 operation, testing operation, or research and development operation
5 if the machinery and equipment:

6 (i) Acts upon or interacts with an item of tangible personal
7 property;

8 (ii) Conveys, transports, handles, or temporarily stores an item
9 of tangible personal property at the manufacturing site or testing
10 site;

11 (iii) Controls, guides, measures, verifies, aligns, regulates, or
12 tests tangible personal property at the site or away from the site;

13 (iv) Provides physical support for or access to tangible personal
14 property;

15 (v) Produces power for, or lubricates machinery and equipment;

16 (vi) Produces another item of tangible personal property for use
17 in the manufacturing operation, testing operation, or research and
18 development operation;

19 (vii) Places tangible personal property in the container,
20 package, or wrapping in which the tangible personal property is
21 normally sold or transported; or

22 (viii) Is integral to research and development as defined in RCW
23 82.63.010.

24 (d) "Manufacturer" means a person that qualifies as a
25 manufacturer under RCW 82.04.110. "Manufacturer" also includes a
26 person that:

27 (i) Prints newspapers or other materials; or

28 (ii) Is engaged in the development of prewritten computer
29 software that is not transferred to purchasers by means of tangible
30 storage media.

31 (e) "Manufacturing" means only those activities that come within
32 the definition of "to manufacture" in RCW 82.04.120 and are taxed as
33 manufacturing or processing for hire under chapter 82.04 RCW, or
34 would be taxed as such if such activity were conducted in this state
35 or if not for an exemption or deduction. "Manufacturing" also
36 includes printing newspapers or other materials. An activity is not
37 taxed as manufacturing or processing for hire under chapter 82.04 RCW
38 if the activity is within the purview of chapter 82.16 RCW.

39 (f) "Manufacturing operation" means the manufacturing of
40 articles, substances, or commodities for sale as tangible personal

1 property. A manufacturing operation begins at the point where the raw
2 materials enter the manufacturing site and ends at the point where
3 the processed material leaves the manufacturing site. With respect to
4 the production of class A or exceptional quality biosolids by a
5 wastewater treatment facility, the manufacturing operation begins at
6 the point where class B biosolids undergo additional processing to
7 achieve class A or exceptional quality standards. Notwithstanding
8 anything to the contrary in this section, the term also includes that
9 portion of a cogeneration project that is used to generate power for
10 consumption within the manufacturing site of which the cogeneration
11 project is an integral part. The term does not include the
12 preparation of food products on the premises of a person selling food
13 products at retail.

14 (g) "Cogeneration" means the simultaneous generation of
15 electrical energy and low-grade heat from the same fuel.

16 (h) "Research and development operation" means engaging in
17 research and development as defined in RCW 82.63.010 by a
18 manufacturer or processor for hire.

19 (i) "Testing" means activities performed to establish or
20 determine the properties, qualities, and limitations of tangible
21 personal property.

22 (j) "Testing operation" means the testing of tangible personal
23 property for a manufacturer or processor for hire. A testing
24 operation begins at the point where the tangible personal property
25 enters the testing site and ends at the point where the tangible
26 personal property leaves the testing site. The term also includes the
27 testing of tangible personal property for use in that portion of a
28 cogeneration project that is used to generate power for consumption
29 within the manufacturing site of which the cogeneration project is an
30 integral part. The term does not include the testing of tangible
31 personal property for use in the production of electricity by a light
32 and power business as defined in RCW 82.16.010 or the preparation of
33 food products on the premises of a person selling food products at
34 retail.

35 (3) This section does not apply (a) to sales of machinery and
36 equipment used directly in the manufacturing, research and
37 development, or testing of (~~marijuana~~) cannabis, useable
38 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
39 products, or (b) to sales of or charges made for labor and services

1 rendered in respect to installing, repairing, cleaning, altering, or
2 improving such machinery and equipment.

3 (4) The exemptions in this section do not apply to an ineligible
4 person. For purposes of this subsection, the following definitions
5 apply:

6 (a) "Affiliated group" means a group of two or more entities that
7 are either:

8 (i) Affiliated as defined in RCW 82.32.655; or

9 (ii) Permitted to file a consolidated return for federal income
10 tax purposes.

11 (b) "Ineligible person" means all members of an affiliated group
12 if all of the following apply:

13 (i) At least one member of the affiliated group was registered
14 with the department to do business in Washington state on or before
15 July 1, 1981;

16 (ii) As of August 1, 2015, the combined employment in this state
17 of the affiliated group exceeds forty thousand full-time and part-
18 time employees, based on data reported to the employment security
19 department by the affiliated group; and

20 (iii) The business activities of the affiliated group primarily
21 include development, sales, and licensing of computer software and
22 services.

23 **Sec. 147.** RCW 82.08.0257 and 2014 c 140 s 15 are each amended to
24 read as follows:

25 The tax levied by RCW 82.08.020 does not apply to auction sales
26 made by or through auctioneers of personal property (including
27 household goods) that has been used in conducting a farm activity,
28 when the seller thereof is a farmer as defined in RCW 82.04.213 and
29 the sale is held or conducted upon a farm and not otherwise. The
30 exemption in this section does not apply to personal property used by
31 the seller in the production of (~~marijuana~~) cannabis, useable
32 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
33 products.

34 **Sec. 148.** RCW 82.08.0273 and 2019 c 423 s 101 are each amended
35 to read as follows:

36 (1) Subject to the conditions and limitations in this section, an
37 exemption from the tax levied by RCW 82.08.020 in the form of a
38 remittance from the department is provided for sales to nonresidents

1 of this state of tangible personal property, digital goods, and
2 digital codes. The exemption only applies if:

3 (a) The property is for use outside this state;

4 (b) The purchaser is a bona fide resident of a province or
5 territory of Canada or a state, territory, or possession of the
6 United States, other than the state of Washington; and

7 (i) Such state, possession, territory, or province does not
8 impose, or have imposed on its behalf, a generally applicable retail
9 sales tax, use tax, value added tax, gross receipts tax on retailing
10 activities, or similar generally applicable tax, of three percent or
11 more; or

12 (ii) If imposing a tax described in (b)(i) of this subsection,
13 provides an exemption for sales to Washington residents by reason of
14 their residence; and

15 (c) The purchaser agrees, when requested, to grant the department
16 of revenue access to such records and other forms of verification at
17 the purchaser's place of residence to assure that such purchases are
18 not first used substantially in the state of Washington.

19 (2) Notwithstanding anything to the contrary in this chapter, if
20 parts or other tangible personal property are installed by the seller
21 during the course of repairing, cleaning, altering, or improving
22 motor vehicles, trailers, or campers and the seller makes a separate
23 charge for the tangible personal property, the tax levied by RCW
24 82.08.020 does not apply to the separately stated charge to a
25 nonresident purchaser for the tangible personal property but only if
26 the seller certifies in writing to the purchaser that the separately
27 stated charge does not exceed either the seller's current publicly
28 stated retail price for the tangible personal property or, if no
29 publicly stated retail price is available, the seller's cost for the
30 tangible personal property. However, the exemption provided by this
31 section does not apply if tangible personal property is installed by
32 the seller during the course of repairing, cleaning, altering, or
33 improving motor vehicles, trailers, or campers and the seller makes a
34 single nonitemized charge for providing the tangible personal
35 property and service. All of the provisions in subsections (1) and
36 (3) through (7) of this section apply to this subsection.

37 (3)(a) Any person claiming exemption from retail sales tax under
38 the provisions of this section must pay the state and local sales tax
39 to the seller at the time of purchase and then request a remittance
40 from the department in accordance with this subsection and subsection

1 (4) of this section. A request for remittance must include proof of
2 the person's status as a nonresident at the time of the purchase for
3 which a remittance is requested. The request for a remittance must
4 also include any additional information and documentation as required
5 by the department, which may include a description of the item
6 purchased for which a remittance is requested, the sales price of the
7 item, the amount of sales tax paid on the item, the date of the
8 purchase, the name of the seller and the physical address where the
9 sale took place, and copies of sales receipts showing the qualified
10 purchases.

11 (b) Acceptable proof of a nonresident person's status includes
12 one piece of identification such as a valid driver's license from the
13 jurisdiction in which the out-of-state residency is claimed or a
14 valid identification card which has a photograph of the holder and is
15 issued by the out-of-state jurisdiction. Identification under this
16 subsection (3)(b) must show the holder's residential address and have
17 as one of its legal purposes the establishment of residency in that
18 out-of-state jurisdiction.

19 (4)(a)(i) Beginning January 1, 2020, through December 31, 2020, a
20 person may request a remittance from the department for state sales
21 taxes paid by the person on qualified retail purchases made in
22 Washington between July 1, 2019, and December 31, 2019.

23 (ii) Beginning January 1, 2021, a person may request a remittance
24 from the department during any calendar year for state sales taxes
25 paid by the person on qualified retail purchases made in Washington
26 during the immediately preceding calendar year only. No application
27 may be made with respect to purchases made before the immediately
28 preceding calendar year.

29 (b) The remittance request, including proof of nonresident status
30 and any other documentation and information required by the
31 department, must be provided in a form and manner as prescribed by
32 the department. Only one remittance request may be made by a person
33 per calendar year.

34 (c) The total amount of a remittance request must be at least
35 twenty-five dollars. The department must deny any request for a
36 remittance that is less than twenty-five dollars.

37 (d) The department will examine the applicant's proof of
38 nonresident status and any other documentation and information as
39 required in the application to determine whether the applicant is
40 entitled to a remittance under this section.

1 (5) (a) Any person making fraudulent statements to the department,
2 which includes the offer of fraudulent or fraudulently procured
3 identification or fraudulent sales receipts, in order to receive a
4 remittance of retail sales tax is guilty of perjury under chapter
5 9A.72 RCW and is ineligible to receive any further remittances from
6 the department under this section.

7 (b) Any person obtaining a remittance of retail sales tax from
8 the department by providing proof of identification or sales receipts
9 not the person's own, or counterfeit identification or sales receipts
10 is (i) liable for repayment of the remittance, including interest as
11 provided in chapter 82.32 RCW from the date the remittance was
12 transmitted to the person until repaid in full, (ii) liable for a
13 civil penalty equal to the greater of one hundred dollars or the
14 amount of the remittance obtained in violation of this subsection
15 (5)(b), and (iii) ineligible to receive any further remittances from
16 the department under this section.

17 (c) Any person assisting another person in obtaining a remittance
18 of retail sales tax in violation of (b) of this subsection is jointly
19 and severally liable for amounts due under (b) of this subsection and
20 is also ineligible to receive any further remittances from the
21 department under this section.

22 (6) A person who receives a refund of sales tax from the seller
23 for any reason with respect to a purchase made in this state is not
24 entitled to a remittance for the tax paid on the purchase. A person
25 who receives both a remittance under this section and a refund of
26 sales tax from the seller with respect to the same purchase must
27 immediately repay the remittance to the department. Interest as
28 provided in chapter 82.32 RCW applies to amounts due under this
29 section from the date that the department made the remittance until
30 the amount due under this subsection is paid to the department. A
31 person who receives a remittance with respect to a purchase for which
32 the person had, at the time the person submitted the application for
33 a remittance, already received a refund of sales tax from the seller
34 is also liable for a civil penalty equal to the greater of one
35 hundred dollars or the amount of the remittance obtained in violation
36 of this subsection and is ineligible to receive any further
37 remittances from the department under this section.

38 (7) The exemption provided by this section is only for the state
39 portion of the sales tax. For purposes of this section, the state
40 portion of the sales tax is not reduced by any local sales tax that

1 is deducted or credited against the state sales tax as provided by
2 law.

3 (8) The exemption in this section does not apply to sales of
4 (~~marijuana~~) cannabis, useable (~~marijuana, or marijuana-infused~~)
5 cannabis, or cannabis-infused products.

6 **Sec. 149.** RCW 82.08.02745 and 2021 c 250 s 1 are each amended to
7 read as follows:

8 (1) The tax levied by RCW 82.08.020 does not apply to charges
9 made for labor and services rendered by any person in respect to the
10 constructing, repairing, decorating, or improving of new or existing
11 buildings or other structures, in which at least 50 percent of
12 housing units in the development are used as farmworker housing, or
13 to sales of tangible personal property that becomes an ingredient or
14 component of the buildings or other structures during the course of
15 the constructing, repairing, decorating, or improving the buildings
16 or other structures. The exemption is provided for all housing units
17 in the development and is available only if the buyer provides the
18 seller with an exemption certificate in a form and manner prescribed
19 by the department by rule.

20 (2) The exemption provided in this section for farmworker housing
21 provided on a year-round basis only applies if that housing is built
22 to the current building code for single-family or multifamily
23 dwellings according to the state building code, chapter 19.27 RCW.

24 (3) Any farmworker housing built under this section must be used
25 according to this section for at least five consecutive years from
26 the date the housing is approved for occupancy, or the full amount of
27 tax otherwise due is immediately due and payable together with
28 interest, but not penalties, from the date the housing is approved
29 for occupancy until the date of payment. If at any time farmworker
30 housing ceases to be used in the manner specified in subsection (2)
31 of this section, the full amount of tax otherwise due is immediately
32 due and payable with interest, but not penalties, from the date the
33 housing ceases to be used as farmworker housing until the date of
34 payment.

35 (4) The exemption provided in this section does not apply to
36 housing built for the occupancy of an employer, family members of an
37 employer, or persons owning stock or shares in a farm partnership or
38 corporation business. The exemption provided in this section does not
39 apply to housing built exclusively for workers in the United States

1 on an H-2A visa under the United States citizenship and immigration
2 services.

3 (5) If during any agricultural season in the qualifying five
4 years under subsection (3) of this section the housing is occupied by
5 a farmworker who does not have an H-2A visa, then the housing will be
6 considered not to be exclusively built for workers on an H-2A visa.

7 (6) For purposes of this section and RCW 82.12.02685, the
8 following definitions apply unless the context clearly requires
9 otherwise.

10 (a) "Agricultural employer" or "employer" has the same meaning as
11 given in RCW 19.30.010, and includes any employer engaged in
12 aquaculture as defined in RCW 15.85.020.

13 (b) "Farm work" means services relating to:

14 (i) Cultivating the soil, raising or harvesting, or catching,
15 netting, handling, planting, drying, packing, grading, storing, or
16 preserving in its unmanufactured state any agricultural or
17 aquacultural commodity;

18 (ii) Delivering to storage, market, or a carrier for
19 transportation to market or to processing any agricultural or
20 aquacultural commodity; or

21 (iii) Working in a processing plant and directly handling
22 agricultural or aquacultural product.

23 (c) "Farmworker" means a single person, or all members of a
24 household, whether such persons are related or not, if the combined
25 household income earned from farm work is at least \$3,000 per
26 calendar year.

27 (d) "Farmworker housing" means all facilities provided by an
28 agricultural employer, housing authority, local government, state or
29 federal agency, nonprofit community or neighborhood-based
30 organization that is exempt from income tax under section 501(c) of
31 the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)), or for-
32 profit provider of housing for housing farmworkers on a year-round or
33 seasonal basis, including bathing, food handling, hand washing,
34 laundry, and toilet facilities, single-family and multifamily
35 dwelling units and dormitories, and includes labor camps under RCW
36 70.114A.110.

37 (i) "Farmworker housing" includes:

38 (A) Housing occupied by a household with at least one member who
39 is a farmworker; and

1 (B) Housing occupied by a farmworker on a seasonal basis, where
2 the housing is not used as farmworker housing for a portion of the
3 year, such as when it is rented to the general public when not being
4 used for farmworker housing.

5 (ii) "Farmworker housing" does not include:

6 (A) Housing regularly provided on a commercial basis to the
7 general public;

8 (B) Housing provided by a housing authority unless at least
9 eighty percent of the occupants are farmworkers whose adjusted income
10 is less than fifty percent of median family income, adjusted for
11 household size, for the county where the housing is provided; and

12 (C) Housing provided to farmworkers providing services related to
13 the growing, raising, or producing of (~~marijuana~~) cannabis.

14 (7) This section expires January 1, 2032.

15 **Sec. 150.** RCW 82.08.0281 and 2014 c 140 s 19 are each amended to
16 read as follows:

17 (1) The tax levied by RCW 82.08.020 does not apply to sales of
18 drugs for human use dispensed or to be dispensed to patients,
19 pursuant to a prescription.

20 (2) The tax levied by RCW 82.08.020 does not apply to sales of
21 drugs or devices used for family planning purposes, including the
22 prevention of conception, for human use dispensed or to be dispensed
23 to patients, pursuant to a prescription.

24 (3) The tax levied by RCW 82.08.020 does not apply to sales of
25 drugs and devices used for family planning purposes, including the
26 prevention of conception, for human use supplied by a family planning
27 clinic that is under contract with the department of health to
28 provide family planning services.

29 (4) The following definitions in this subsection apply throughout
30 this section unless the context clearly requires otherwise.

31 (a) "Prescription" means an order, formula, or recipe issued in
32 any form of oral, written, electronic, or other means of transmission
33 by a duly licensed practitioner authorized by the laws of this state
34 to prescribe.

35 (b) "Drug" means a compound, substance, or preparation, and any
36 component of a compound, substance, or preparation, other than food
37 and food ingredients, dietary supplements, (~~or~~) alcoholic
38 beverages, (~~marijuana~~) cannabis, useable (~~marijuana, or marijuana-~~
39 ~~infused~~) cannabis, or cannabis-infused products:

1 (i) Recognized in the official United States pharmacopoeia,
2 official homeopathic pharmacopoeia of the United States, or official
3 national formulary, or any supplement to any of them; or

4 (ii) Intended for use in the diagnosis, cure, mitigation,
5 treatment, or prevention of disease; or

6 (iii) Intended to affect the structure or any function of the
7 body.

8 (c) "Over-the-counter drug" means a drug that contains a label
9 that identifies the product as a drug required by 21 C.F.R. Sec.
10 201.66, as amended or renumbered on January 1, 2003. The label
11 includes:

12 (i) A "drug facts" panel; or

13 (ii) A statement of the "active ingredient(s)" with a list of
14 those ingredients contained in the compound, substance, or
15 preparation.

16 **Sec. 151.** RCW 82.08.0288 and 2014 c 140 s 20 are each amended to
17 read as follows:

18 The tax levied by RCW 82.08.020 does not apply to the lease of
19 irrigation equipment if:

20 (1) The irrigation equipment was purchased by the lessor for the
21 purpose of irrigating land controlled by the lessor;

22 (2) The lessor has paid tax under RCW 82.08.020 or 82.12.020 in
23 respect to the irrigation equipment;

24 (3) The irrigation equipment is attached to the land in whole or
25 in part;

26 (4) The irrigation equipment is not used in the production of
27 (~~marijuana~~) cannabis; and

28 (5) The irrigation equipment is leased to the lessee as an
29 incidental part of the lease of the underlying land to the lessee and
30 is used solely on such land.

31 **Sec. 152.** RCW 82.08.0293 and 2021 c 176 s 5249 are each amended
32 to read as follows:

33 (1) The tax levied by RCW 82.08.020 does not apply to sales of
34 food and food ingredients. "Food and food ingredients" means
35 substances, whether in liquid, concentrated, solid, frozen, dried, or
36 dehydrated form, that are sold for ingestion or chewing by humans and
37 are consumed for their taste or nutritional value. "Food and food
38 ingredients" does not include:

1 (a) "Alcoholic beverages," which means beverages that are
2 suitable for human consumption and contain one-half of one percent or
3 more of alcohol by volume;

4 (b) "Tobacco," which means cigarettes, cigars, chewing or pipe
5 tobacco, or any other item that contains tobacco; and

6 (c) (~~(Marijuana)~~) Cannabis, useable (~~(marijuana, or marijuana-~~
7 ~~infused)~~) cannabis, or cannabis-infused products.

8 (2) The exemption of "food and food ingredients" provided for in
9 subsection (1) of this section does not apply to prepared food, soft
10 drinks, bottled water, or dietary supplements. The definitions in
11 this subsection apply throughout this section unless the context
12 clearly requires otherwise.

13 (a) "Bottled water" means water that is placed in a safety sealed
14 container or package for human consumption. Bottled water is calorie
15 free and does not contain sweeteners or other additives except that
16 it may contain: (i) Antimicrobial agents; (ii) fluoride; (iii)
17 carbonation; (iv) vitamins, minerals, and electrolytes; (v) oxygen;
18 (vi) preservatives; and (vii) only those flavors, extracts, or
19 essences derived from a spice or fruit. "Bottled water" includes
20 water that is delivered to the buyer in a reusable container that is
21 not sold with the water.

22 (b) "Dietary supplement" means any product, other than tobacco,
23 intended to supplement the diet that:

24 (i) Contains one or more of the following dietary ingredients:

25 (A) A vitamin;

26 (B) A mineral;

27 (C) An herb or other botanical;

28 (D) An amino acid;

29 (E) A dietary substance for use by humans to supplement the diet
30 by increasing the total dietary intake; or

31 (F) A concentrate, metabolite, constituent, extract, or
32 combination of any ingredient described in this subsection;

33 (ii) Is intended for ingestion in tablet, capsule, powder,
34 softgel, gelcap, or liquid form, or if not intended for ingestion in
35 such form, is not represented as conventional food and is not
36 represented for use as a sole item of a meal or of the diet; and

37 (iii) Is required to be labeled as a dietary supplement,
38 identifiable by the "supplement facts" box found on the label as
39 required pursuant to 21 C.F.R. Sec. 101.36, as amended or renumbered
40 as of January 1, 2003.

1 (c) (i) "Prepared food" means:

2 (A) Food sold in a heated state or heated by the seller;

3 (B) Food sold with eating utensils provided by the seller,
4 including plates, knives, forks, spoons, glasses, cups, napkins, or
5 straws. A plate does not include a container or packaging used to
6 transport the food; or

7 (C) Two or more food ingredients mixed or combined by the seller
8 for sale as a single item, except:

9 (I) Food that is only cut, repackaged, or pasteurized by the
10 seller; or

11 (II) Raw eggs, fish, meat, poultry, and foods containing these
12 raw animal foods requiring cooking by the consumer as recommended by
13 the federal food and drug administration in chapter 3, part 401.11 of
14 The Food Code, published by the food and drug administration, as
15 amended or renumbered as of January 1, 2003, so as to prevent
16 foodborne illness.

17 (ii) Food is "sold with eating utensils provided by the seller"
18 if:

19 (A) The seller's customary practice for that item is to
20 physically deliver or hand a utensil to the customer with the food or
21 food ingredient as part of the sales transaction. If the food or food
22 ingredient is prepackaged with a utensil, the seller is considered to
23 have physically delivered a utensil to the customer unless the food
24 and utensil are prepackaged together by a food manufacturer
25 classified under sector 311 of the North American industry
26 classification system (NAICS);

27 (B) A plate, glass, cup, or bowl is necessary to receive the food
28 or food ingredient, and the seller makes those utensils available to
29 its customers; or

30 (C) (I) The seller makes utensils available to its customers, and
31 the seller has more than seventy-five percent prepared food sales.
32 For purposes of this subsection (2) (c) (ii) (C), a seller has more than
33 seventy-five percent prepared food sales if the seller's gross retail
34 sales of prepared food under (c) (i) (A), (c) (i) (C), and (c) (ii) (B) of
35 this subsection equal more than seventy-five percent of the seller's
36 gross retail sales of all food and food ingredients, including
37 prepared food, soft drinks, and dietary supplements.

38 (II) However, even if a seller has more than seventy-five percent
39 prepared food sales, four servings or more of food or food
40 ingredients packaged for sale as a single item and sold for a single

1 price are not "sold with utensils provided by the seller" unless the
2 seller's customary practice for the package is to physically hand or
3 otherwise deliver a utensil to the customer as part of the sales
4 transaction. Whenever available, the number of servings included in a
5 package of food or food ingredients must be determined based on the
6 manufacturer's product label. If no label is available, the seller
7 must reasonably determine the number of servings.

8 (III) The seller must determine a single prepared food sales
9 percentage annually for all the seller's establishments in the state
10 based on the prior year of sales. The seller may elect to determine
11 its prepared food sales percentage based either on the prior calendar
12 year or on the prior fiscal year. A seller may not change its elected
13 method for determining its prepared food percentage without the
14 written consent of the department. The seller must determine its
15 annual prepared food sales percentage as soon as possible after
16 accounting records are available, but in no event later than ninety
17 days after the beginning of the seller's calendar or fiscal year. A
18 seller may make a good faith estimate of its first annual prepared
19 food sales percentage if the seller's records for the prior year are
20 not sufficient to allow the seller to calculate the prepared food
21 sales percentage. The seller must adjust its good faith estimate
22 prospectively if its relative sales of prepared foods in the first
23 ninety days of operation materially depart from the seller's
24 estimate.

25 (iii) "Prepared food" does not include the following items, if
26 sold without eating utensils provided by the seller:

27 (A) Food sold by a seller whose proper primary NAICS
28 classification is manufacturing in sector 311, except subsector 3118
29 (bakeries), as provided in the "North American industry
30 classification system—United States, 2002";

31 (B) Food sold in an unheated state by weight or volume as a
32 single item; or

33 (C) Bakery items. The term "bakery items" includes bread, rolls,
34 buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes,
35 tortes, pies, tarts, muffins, bars, cookies, or tortillas.

36 (d) "Soft drinks" means nonalcoholic beverages that contain
37 natural or artificial sweeteners. Soft drinks do not include
38 beverages that contain: Milk or milk products; soy, rice, or similar
39 milk substitutes; or greater than fifty percent of vegetable or fruit
40 juice by volume.

1 (3) Notwithstanding anything in this section to the contrary, the
2 exemption of "food and food ingredients" provided in this section
3 applies to food and food ingredients that are furnished, prepared, or
4 served as meals:

5 (a) Under a state administered nutrition program for the aged as
6 provided for in the older Americans act (P.L. 95-478 Title III) and
7 RCW 74.38.040(6);

8 (b) That are provided to senior citizens, individuals with
9 disabilities, or low-income persons by a nonprofit organization
10 organized under chapter 24.03A or 24.12 RCW; or

11 (c) That are provided to residents, sixty-two years of age or
12 older, of a qualified low-income senior housing facility by the
13 lessor or operator of the facility. The sale of a meal that is billed
14 to both spouses of a marital community or both domestic partners of a
15 domestic partnership meets the age requirement in this subsection
16 (3)(c) if at least one of the spouses or domestic partners is at
17 least sixty-two years of age. For purposes of this subsection,
18 "qualified low-income senior housing facility" means a facility:

19 (i) That meets the definition of a qualified low-income housing
20 project under 26 U.S.C. Sec. 42 of the federal internal revenue code,
21 as existing on August 1, 2009;

22 (ii) That has been partially funded under 42 U.S.C. Sec. 1485;
23 and

24 (iii) For which the lessor or operator has at any time been
25 entitled to claim a federal income tax credit under 26 U.S.C. Sec. 42
26 of the federal internal revenue code.

27 (4)(a) Subsection (1) of this section notwithstanding, the retail
28 sale of food and food ingredients is subject to sales tax under RCW
29 82.08.020 if the food and food ingredients are sold through a vending
30 machine. Except as provided in (b) of this subsection, the selling
31 price of food and food ingredients sold through a vending machine for
32 purposes of RCW 82.08.020 is fifty-seven percent of the gross
33 receipts.

34 (b) For soft drinks, bottled water, and hot prepared food and
35 food ingredients, other than food and food ingredients which are
36 heated after they have been dispensed from the vending machine, the
37 selling price is the total gross receipts of such sales divided by
38 the sum of one plus the sales tax rate expressed as a decimal.

1 (c) For tax collected under this subsection (4), the requirements
2 that the tax be collected from the buyer and that the amount of tax
3 be stated as a separate item are waived.

4 **Sec. 153.** RCW 82.08.820 and 2014 c 140 s 23 are each amended to
5 read as follows:

6 (1) Wholesalers or third-party warehouse owners who own or operate
7 warehouses or grain elevators and retailers who own or operate
8 distribution centers, and who have paid the tax levied by RCW
9 82.08.020 on:

10 (a) Material-handling and racking equipment, and labor and
11 services rendered in respect to installing, repairing, cleaning,
12 altering, or improving the equipment; or

13 (b) Construction of a warehouse or grain elevator, including
14 materials, and including service and labor costs,
15 are eligible for an exemption in the form of a remittance. The amount
16 of the remittance is computed under subsection (3) of this section
17 and is based on the state share of sales tax.

18 (2) For purposes of this section and RCW 82.12.820:

19 (a) "Agricultural products" has the meaning given in RCW
20 82.04.213;

21 (b) "Construction" means the actual construction of a warehouse
22 or grain elevator that did not exist before the construction began.
23 "Construction" includes expansion if the expansion adds at least two
24 hundred thousand square feet of additional space to an existing
25 warehouse or additional storage capacity of at least one million
26 bushels to an existing grain elevator. "Construction" does not
27 include renovation, remodeling, or repair;

28 (c) "Department" means the department of revenue;

29 (d) "Distribution center" means a warehouse that is used
30 exclusively by a retailer solely for the storage and distribution of
31 finished goods to retail outlets of the retailer. "Distribution
32 center" does not include a warehouse at which retail sales occur;

33 (e) "Finished goods" means tangible personal property intended
34 for sale by a retailer or wholesaler. "Finished goods" does not
35 include:

36 (i) Agricultural products stored by wholesalers, third-party
37 warehouses, or retailers if the storage takes place on the land of
38 the person who produced the agricultural product;

1 (ii) Logs, minerals, petroleum, gas, or other extracted products
2 stored as raw materials or in bulk; or

3 (iii) (~~(Marijuana)~~) Cannabis, useable (~~(marijuana, or marijuana-~~
4 ~~infused)~~) cannabis, or cannabis-infused products;

5 (f) "Grain elevator" means a structure used for storage and
6 handling of grain in bulk;

7 (g) "Material-handling equipment and racking equipment" means
8 equipment in a warehouse or grain elevator that is primarily used to
9 handle, store, organize, convey, package, or repackage finished
10 goods. The term includes tangible personal property with a useful
11 life of one year or more that becomes an ingredient or component of
12 the equipment, including repair and replacement parts. The term does
13 not include equipment in offices, lunchrooms, restrooms, and other
14 like space, within a warehouse or grain elevator, or equipment used
15 for nonwarehousing purposes. "Material-handling equipment" includes
16 but is not limited to: Conveyers, carousels, lifts, positioners,
17 pick-up-and-place units, cranes, hoists, mechanical arms, and robots;
18 mechanized systems, including containers that are an integral part of
19 the system, whose purpose is to lift or move tangible personal
20 property; and automated handling, storage, and retrieval systems,
21 including computers that control them, whose purpose is to lift or
22 move tangible personal property; and forklifts and other off-the-road
23 vehicles that are used to lift or move tangible personal property and
24 that cannot be operated legally on roads and streets. "Racking
25 equipment" includes, but is not limited to, conveying systems,
26 chutes, shelves, racks, bins, drawers, pallets, and other containers
27 and storage devices that form a necessary part of the storage system;

28 (h) "Person" has the meaning given in RCW 82.04.030;

29 (i) "Retailer" means a person who makes "sales at retail" as
30 defined in chapter 82.04 RCW of tangible personal property;

31 (j) "Square footage" means the product of the two horizontal
32 dimensions of each floor of a specific warehouse. The entire
33 footprint of the warehouse must be measured in calculating the square
34 footage, including space that juts out from the building profile such
35 as loading docks. "Square footage" does not mean the aggregate of the
36 square footage of more than one warehouse at a location or the
37 aggregate of the square footage of warehouses at more than one
38 location;

39 (k) "Third-party warehouser" means a person taxable under RCW
40 82.04.280(1)(d);

1 (1) "Warehouse" means an enclosed building or structure in which
2 finished goods are stored. A warehouse building or structure may have
3 more than one storage room and more than one floor. Office space,
4 lunchrooms, restrooms, and other space within the warehouse and
5 necessary for the operation of the warehouse are considered part of
6 the warehouse as are loading docks and other such space attached to
7 the building and used for handling of finished goods. Landscaping and
8 parking lots are not considered part of the warehouse. A storage yard
9 is not a warehouse, nor is a building in which manufacturing takes
10 place; and

11 (m) "Wholesaler" means a person who makes "sales at wholesale" as
12 defined in chapter 82.04 RCW of tangible personal property, but
13 "wholesaler" does not include a person who makes sales exempt under
14 RCW 82.04.330.

15 (3) (a) A person claiming an exemption from state tax in the form
16 of a remittance under this section must pay the tax imposed by RCW
17 82.08.020. The buyer may then apply to the department for remittance
18 of all or part of the tax paid under RCW 82.08.020. For grain
19 elevators with bushel capacity of one million but less than two
20 million, the remittance is equal to fifty percent of the amount of
21 tax paid. For warehouses with square footage of two hundred thousand
22 or more and for grain elevators with bushel capacity of two million
23 or more, the remittance is equal to one hundred percent of the amount
24 of tax paid for qualifying construction, materials, service, and
25 labor, and fifty percent of the amount of tax paid for qualifying
26 material-handling equipment and racking equipment, and labor and
27 services rendered in respect to installing, repairing, cleaning,
28 altering, or improving the equipment.

29 (b) The department must determine eligibility under this section
30 based on information provided by the buyer and through audit and
31 other administrative records. The buyer must on a quarterly basis
32 submit an information sheet, in a form and manner as required by the
33 department by rule, specifying the amount of exempted tax claimed and
34 the qualifying purchases or acquisitions for which the exemption is
35 claimed. The buyer must retain, in adequate detail to enable the
36 department to determine whether the equipment or construction meets
37 the criteria under this section: Invoices; proof of tax paid;
38 documents describing the material-handling equipment and racking
39 equipment; location and size of warehouses and grain elevators; and
40 construction invoices and documents.

1 (c) The department must on a quarterly basis remit exempted
2 amounts to qualifying persons who submitted applications during the
3 previous quarter.

4 (4) Warehouses, grain elevators, and material-handling equipment
5 and racking equipment for which an exemption, credit, or deferral has
6 been or is being received under chapter 82.60, 82.62, or 82.63 RCW or
7 RCW 82.08.02565 or 82.12.02565 are not eligible for any remittance
8 under this section. Warehouses and grain elevators upon which
9 construction was initiated before May 20, 1997, are not eligible for
10 a remittance under this section.

11 (5) The lessor or owner of a warehouse or grain elevator is not
12 eligible for a remittance under this section unless the underlying
13 ownership of the warehouse or grain elevator and the material-
14 handling equipment and racking equipment vests exclusively in the
15 same person, or unless the lessor by written contract agrees to pass
16 the economic benefit of the remittance to the lessee in the form of
17 reduced rent payments.

18 **Sec. 154.** RCW 82.08.9997 and 2015 c 207 s 4 are each amended to
19 read as follows:

20 The taxes imposed by this chapter do not apply to the retail sale
21 of (~~marijuana~~) cannabis, useable (~~marijuana, marijuana~~) cannabis,
22 cannabis concentrates, and (~~marijuana-infused~~) cannabis-infused
23 products covered by an agreement entered into under RCW 43.06.490.
24 ("~~Marijuana,~~") "Cannabis," "useable (~~marijuana,~~" "~~marijuana~~)
25 cannabis," "cannabis concentrates," and ("~~marijuana-infused~~)
26 cannabis-infused products" have the same meaning as defined in RCW
27 69.50.101.

28 **Sec. 155.** RCW 82.08.9998 and 2019 c 393 s 4 are each amended to
29 read as follows:

30 (1) The tax levied by RCW 82.08.020 does not apply to:

31 (a) Sales of (~~marijuana~~) cannabis concentrates, useable
32 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
33 products, identified by the department of health in rules adopted
34 under RCW 69.50.375(4) in chapter 246-70 WAC as being a compliant
35 (~~marijuana~~) cannabis product, by (~~marijuana~~) cannabis retailers
36 with medical (~~marijuana~~) cannabis endorsements to qualifying
37 patients or designated providers who have been issued recognition
38 cards;

1 (b) Sales of products containing THC with a THC concentration of
2 0.3 percent or less to qualifying patients or designated providers
3 who have been issued recognition cards by ((~~marijuana~~)) cannabis
4 retailers with medical ((~~marijuana~~)) cannabis endorsements;

5 (c) Sales of ((~~marijuana~~)) cannabis concentrates, useable
6 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
7 products, identified by the department of health under RCW 69.50.375
8 to have a low THC, high CBD ratio, and to be beneficial for medical
9 use, by ((~~marijuana~~)) cannabis retailers with medical ((~~marijuana~~))
10 cannabis endorsements, to any person;

11 (d) Sales of topical, noningestible products containing THC with
12 a THC concentration of 0.3 percent or less by health care
13 professionals under RCW 69.51A.280;

14 (e) (i) ((~~Marijuana, marijuana~~)) Cannabis, cannabis concentrates,
15 useable ((~~marijuana, marijuana-infused~~)) cannabis, cannabis-infused
16 products, or products containing THC with a THC concentration of 0.3
17 percent or less produced by a cooperative and provided to its
18 members; and

19 (ii) Any nonmonetary resources and labor contributed by an
20 individual member of the cooperative in which the individual is a
21 member. However, nothing in this subsection (1)(e) may be construed
22 to exempt the individual members of a cooperative from the tax
23 imposed in RCW 82.08.020 on any purchase of property or services
24 contributed to the cooperative.

25 (2) Each seller making exempt sales under subsection (1) of this
26 section must maintain information establishing eligibility for the
27 exemption in the form and manner required by the department.

28 (3) The department must provide a separate tax reporting line for
29 exemption amounts claimed under this section.

30 (4) The definitions in this subsection apply throughout this
31 section unless the context clearly requires otherwise.

32 (a) "Cooperative" means a cooperative authorized by and operating
33 in compliance with RCW 69.51A.250.

34 (b) ((~~"Marijuana~~)) "Cannabis retailer with a medical
35 ((~~marijuana~~)) cannabis endorsement" means a ((~~marijuana~~)) cannabis
36 retailer permitted under RCW 69.50.375 to sell ((~~marijuana~~)) cannabis
37 for medical use to qualifying patients and designated providers.

38 (c) "Products containing THC with a THC concentration of 0.3
39 percent or less" means all products containing THC with a THC

1 concentration not exceeding 0.3 percent and that, when used as
2 intended, are inhalable, ingestible, or absorbable.

3 (d) "THC concentration," (~~"marijuana," "marijuana"~~) "cannabis,"
4 "cannabis concentrates," "useable (~~(marijuana," "marijuana)~~)
5 "cannabis," "cannabis retailer," and (~~"marijuana-infused)~~) "cannabis-
6 infused products" have the same meanings as provided in RCW 69.50.101
7 and the terms "qualifying patients," "designated providers," and
8 "recognition card" have the same meaning as provided in RCW
9 69.51A.010.

10 **Sec. 156.** RCW 82.12.02565 and 2015 3rd sp.s. c 5 s 302 are each
11 amended to read as follows:

12 (1) The provisions of this chapter do not apply in respect to the
13 use by a manufacturer or processor for hire of machinery and
14 equipment used directly in a manufacturing operation or research and
15 development operation, to the use by a person engaged in testing for
16 a manufacturer or processor for hire of machinery and equipment used
17 directly in a testing operation, or to the use of labor and services
18 rendered in respect to installing, repairing, cleaning, altering, or
19 improving the machinery and equipment.

20 (2) The definitions, conditions, and requirements in RCW
21 82.08.02565 apply to this section.

22 (3) This section does not apply to the use of (a) machinery and
23 equipment used directly in the manufacturing, research and
24 development, or testing of (~~(marijuana)~~) cannabis, useable
25 (~~(marijuana, or marijuana-infused)~~) cannabis, or cannabis-infused
26 products, or (b) labor and services rendered in respect to
27 installing, repairing, cleaning, altering, or improving such
28 machinery and equipment.

29 (4) The exemptions in this section do not apply to an ineligible
30 person as defined in RCW 82.08.02565.

31 **Sec. 157.** RCW 82.12.0258 and 2014 c 140 s 16 are each amended to
32 read as follows:

33 The provisions of this chapter do not apply in respect to the use
34 of personal property (including household goods) that has been used
35 in conducting a farm activity, if such property was purchased from a
36 farmer as defined in RCW 82.04.213 at an auction sale held or
37 conducted by an auctioneer upon a farm and not otherwise. The
38 exemption in this section does not apply to personal property used by

1 the seller in the production of (~~marijuana~~) cannabis, useable
2 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
3 products.

4 **Sec. 158.** RCW 82.12.0283 and 2014 c 140 s 21 are each amended to
5 read as follows:

6 The provisions of this chapter do not apply to the use of
7 irrigation equipment if:

8 (1) The irrigation equipment was purchased by the lessor for the
9 purpose of irrigating land controlled by the lessor;

10 (2) The lessor has paid tax under RCW 82.08.020 or 82.12.020 in
11 respect to the irrigation equipment;

12 (3) The irrigation equipment is attached to the land in whole or
13 in part;

14 (4) The irrigation equipment is not used in the production of
15 (~~marijuana~~) cannabis; and

16 (5) The irrigation equipment is leased to the lessee as an
17 incidental part of the lease of the underlying land to the lessee and
18 is used solely on such land.

19 **Sec. 159.** RCW 82.12.9997 and 2015 c 207 s 5 are each amended to
20 read as follows:

21 The taxes imposed by this chapter do not apply to the use of
22 (~~marijuana~~) cannabis, useable (~~marijuana, marijuana~~) cannabis,
23 cannabis concentrates, and (~~marijuana-infused~~) cannabis-infused
24 products covered by an agreement entered into under RCW 43.06.490.
25 ("~~Marijuana,~~") "Cannabis," "useable (~~marijuana,~~" "~~marijuana~~)
26 cannabis," "cannabis concentrates," and ("~~marijuana-infused~~)
27 cannabis-infused products" have the same meaning as defined in RCW
28 69.50.101.

29 **Sec. 160.** RCW 82.12.9998 and 2019 c 393 s 5 are each amended to
30 read as follows:

31 (1) The provisions of this chapter do not apply to:

32 (a) The use of (~~marijuana~~) cannabis concentrates, useable
33 (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-infused
34 products, identified by the department of health in rules adopted
35 under RCW 69.50.375(4) in chapter 246-70 WAC as being a compliant
36 (~~marijuana~~) cannabis product, by qualifying patients or designated
37 providers who have been issued recognition cards and have obtained

1 such products from a ((~~marijuana~~)) cannabis retailer with a medical
2 ((~~marijuana~~)) cannabis endorsement.

3 (b) The use of products containing THC with a THC concentration
4 of 0.3 percent or less by qualifying patients or designated providers
5 who have been issued recognition cards and have obtained such
6 products from a ((~~marijuana~~)) cannabis retailer with a medical
7 ((~~marijuana~~)) cannabis endorsement.

8 (c) (i) ((~~Marijuana~~)) Cannabis retailers with a medical
9 ((~~marijuana~~)) cannabis endorsement with respect to:

10 (A) ((~~Marijuana~~)) Cannabis concentrates, useable ((~~marijuana, or~~
11 ~~marijuana-infused~~)) cannabis, or cannabis-infused products; or

12 (B) Products containing THC with a THC concentration of 0.3
13 percent or less;

14 (ii) The exemption in this subsection (1)(c) applies only if such
15 products are provided at no charge to a qualifying patient or
16 designated provider who has been issued a recognition card. Each such
17 retailer providing such products at no charge must maintain
18 information establishing eligibility for this exemption in the form
19 and manner required by the department.

20 (d) The use of ((~~marijuana~~)) cannabis concentrates, useable
21 ((~~marijuana, or marijuana-infused~~)) cannabis, or cannabis-infused
22 products, identified by the department of health under RCW 69.50.375
23 to have a low THC, high CBD ratio, and to be beneficial for medical
24 use, purchased from ((~~marijuana~~)) cannabis retailers with a medical
25 ((~~marijuana~~)) cannabis endorsement.

26 (e) Health care professionals with respect to the use of products
27 containing THC with a THC concentration of 0.3 percent or less
28 provided at no charge by the health care professionals under RCW
29 69.51A.280. Each health care professional providing such products at
30 no charge must maintain information establishing eligibility for this
31 exemption in the form and manner required by the department.

32 (f) The use of topical, noningestible products containing THC
33 with a THC concentration of 0.3 percent or less by qualifying
34 patients when purchased from or provided at no charge by a health
35 care professional under RCW 69.51A.280.

36 (g) The use of:

37 (i) ((~~Marijuana, marijuana~~)) Cannabis, cannabis concentrates,
38 useable ((~~marijuana, marijuana-infused~~)) cannabis, cannabis-infused
39 products, or products containing THC with a THC concentration of 0.3

1 percent or less, by a cooperative and its members, when produced by
2 the cooperative; and

3 (ii) Any nonmonetary resources and labor by a cooperative when
4 contributed by its members. However, nothing in this subsection
5 (1)(g) may be construed to exempt the individual members of a
6 cooperative from the tax imposed in RCW 82.12.020 on the use of any
7 property or services purchased by the member and contributed to the
8 cooperative.

9 (2) The definitions in RCW 82.08.9998 apply to this section.

10 **Sec. 161.** RCW 82.14.430 and 2014 c 140 s 24 are each amended to
11 read as follows:

12 (1) If approved by the majority of the voters within its
13 boundaries voting on the ballot proposition, a regional
14 transportation investment district may impose a sales and use tax of
15 up to 0.1 percent of the selling price or value of the article used
16 in the case of a use tax. The tax authorized by this section is in
17 addition to the tax authorized by RCW 82.14.030 and must be collected
18 from those persons who are taxable by the state under chapters 82.08
19 and 82.12 RCW upon the occurrence of any taxable event within the
20 taxing district. Motor vehicles are exempt from the sales and use tax
21 imposed under this subsection.

22 (2) If approved by the majority of the voters within its
23 boundaries voting on the ballot proposition, a regional
24 transportation investment district may impose a tax on the use of a
25 motor vehicle within a regional transportation investment district.
26 The tax applies to those persons who reside within the regional
27 transportation investment district. The rate of the tax may not
28 exceed 0.1 percent of the value of the motor vehicle. The tax
29 authorized by this subsection is in addition to the tax authorized
30 under RCW 82.14.030 and must be imposed and collected at the time a
31 taxable event under RCW 82.08.020(1) or 82.12.020 takes place. All
32 revenue received under this subsection must be deposited in the local
33 sales and use tax account and distributed to the regional
34 transportation investment district according to RCW 82.14.050. The
35 following provisions apply to the use tax in this subsection:

36 (a) Where persons are taxable under chapter 82.08 RCW, the seller
37 must collect the use tax from the buyer using the collection
38 provisions of RCW 82.08.050.

1 (b) Where persons are taxable under chapter 82.12 RCW, the use
2 tax must be collected using the provisions of RCW 82.12.045.

3 (c) "Motor vehicle" has the meaning provided in RCW 46.04.320,
4 but does not include:

5 (i) Farm tractors or farm vehicles as defined in RCW 46.04.180
6 and 46.04.181, unless the farm tractor or farm vehicle is for use in
7 the production of (~~marijuana~~) cannabis;

8 (ii) Off-road vehicles as defined in RCW 46.04.365;

9 (iii) Nonhighway vehicles as defined in RCW 46.09.310; and

10 (iv) Snowmobiles as defined in RCW 46.04.546.

11 (d) "Person" has the meaning given in RCW 82.04.030.

12 (e) The value of a motor vehicle must be determined under RCW
13 82.12.010.

14 (f) Except as specifically stated in this subsection (2),
15 chapters 82.12 and 82.32 RCW apply to the use tax. The use tax is a
16 local tax imposed under the authority of this chapter (~~(82.14 RCW)~~),
17 and this chapter (~~(82.14 RCW)~~) applies fully to the use tax.

18 (3) In addition to fulfilling the notice requirements under RCW
19 82.14.055(1), and unless waived by the department, a regional
20 transportation investment district must provide the department of
21 revenue with digital mapping and legal descriptions of areas in which
22 the tax will be collected.

23 **Sec. 162.** RCW 82.16.050 and 2014 c 140 s 25 are each amended to
24 read as follows:

25 In computing tax there may be deducted from the gross income the
26 following items:

27 (1) Amounts derived by municipally owned or operated public
28 service businesses, directly from taxes levied for the support or
29 maintenance thereof. This subsection may not be construed to exempt
30 service charges which are spread on the property tax rolls and
31 collected as taxes;

32 (2) Amounts derived from the sale of commodities to persons in
33 the same public service business as the seller, for resale as such
34 within this state. This deduction is allowed only with respect to
35 water distribution, gas distribution or other public service
36 businesses which furnish water, gas or any other commodity in the
37 performance of public service businesses;

38 (3) Amounts actually paid by a taxpayer to another person taxable
39 under this chapter as the latter's portion of the consideration due

1 for services furnished jointly by both, if the total amount has been
2 credited to and appears in the gross income reported for tax by the
3 former;

4 (4) The amount of cash discount actually taken by the purchaser
5 or customer;

6 (5) The amount of bad debts, as that term is used in 26 U.S.C.
7 Sec. 166, as amended or renumbered as of January 1, 2003, on which
8 tax was previously paid under this chapter;

9 (6) Amounts derived from business which the state is prohibited
10 from taxing under the Constitution of this state or the Constitution
11 or laws of the United States;

12 (7) Amounts derived from the distribution of water through an
13 irrigation system, for irrigation purposes other than the irrigation
14 of (~~marijuana~~) cannabis as defined under RCW 69.50.101;

15 (8) Amounts derived from the transportation of commodities from
16 points of origin in this state to final destination outside this
17 state, or from points of origin outside this state to final
18 destination in this state, with respect to which the carrier grants
19 to the shipper the privilege of stopping the shipment in transit at
20 some point in this state for the purpose of storing, manufacturing,
21 milling, or other processing, and thereafter forwards the same
22 commodity, or its equivalent, in the same or converted form, under a
23 through freight rate from point of origin to final destination;

24 (9) Amounts derived from the transportation of commodities from
25 points of origin in the state to an export elevator, wharf, dock or
26 ship side on tidewater or its navigable tributaries to be forwarded,
27 without intervening transportation, by vessel, in their original
28 form, to interstate or foreign destinations. No deduction is allowed
29 under this subsection when the point of origin and the point of
30 delivery to the export elevator, wharf, dock, or ship side are
31 located within the corporate limits of the same city or town;

32 (10) Amounts derived from the transportation of agricultural
33 commodities, not including manufactured substances or articles, from
34 points of origin in the state to interim storage facilities in this
35 state for transshipment, without intervening transportation, to an
36 export elevator, wharf, dock, or ship side on tidewater or its
37 navigable tributaries to be forwarded, without intervening
38 transportation, by vessel, in their original form, to interstate or
39 foreign destinations. If agricultural commodities are transshipped
40 from interim storage facilities in this state to storage facilities

1 at a port on tidewater or its navigable tributaries, the same
2 agricultural commodity dealer must operate both the interim storage
3 facilities and the storage facilities at the port.

4 (a) The deduction under this subsection is available only when
5 the person claiming the deduction obtains a certificate from the
6 agricultural commodity dealer operating the interim storage
7 facilities, in a form and manner prescribed by the department,
8 certifying that:

9 (i) More than ninety-six percent of all of the type of
10 agricultural commodity delivered by the person claiming the deduction
11 under this subsection and delivered by all other persons to the
12 dealer's interim storage facilities during the preceding calendar
13 year was shipped by vessel in original form to interstate or foreign
14 destinations; and

15 (ii) Any of the agricultural commodity that is transshipped to
16 ports on tidewater or its navigable tributaries will be received at
17 storage facilities operated by the same agricultural commodity dealer
18 and will be shipped from such facilities, without intervening
19 transportation, by vessel, in their original form, to interstate or
20 foreign destinations.

21 (b) As used in this subsection, "agricultural commodity" has the
22 same meaning as agricultural product in RCW 82.04.213;

23 (11) Amounts derived from the production, sale, or transfer of
24 electrical energy for resale within or outside the state or for
25 consumption outside the state;

26 (12) Amounts derived from the distribution of water by a
27 nonprofit water association and used for capital improvements by that
28 nonprofit water association;

29 (13) Amounts paid by a sewerage collection business taxable under
30 RCW 82.16.020(1)(a) to a person taxable under chapter 82.04 RCW for
31 the treatment or disposal of sewage;

32 (14) Amounts derived from fees or charges imposed on persons for
33 transit services provided by a public transportation agency. For the
34 purposes of this subsection, "public transportation agency" means a
35 municipality, as defined in RCW 35.58.272, and urban public
36 transportation systems, as defined in RCW 47.04.082. Public
37 transportation agencies must spend an amount equal to the reduction
38 in tax provided by this tax deduction solely to adjust routes to
39 improve access for citizens using food banks and senior citizen

1 services or to extend or add new routes to assist low-income citizens
2 and seniors.

3 **Sec. 163.** RCW 82.25.005 and 2019 c 445 s 101 are each amended to
4 read as follows:

5 The definitions in this section apply throughout this chapter
6 unless the context clearly requires otherwise.

7 (1) "Accessible container" means a container that is intended to
8 be opened. The term does not mean a closed cartridge or closed
9 container that is not intended to be opened such as a disposable e-
10 cigarette.

11 (2) "Affiliated" means related in any way by virtue of any form
12 or amount of common ownership, control, operation, or management.

13 (3) "Board" means the Washington state liquor and cannabis board.

14 (4) "Business" means any trade, occupation, activity, or
15 enterprise engaged in selling or distributing vapor products in this
16 state.

17 (5) "Distributor" (~~mean[s]~~) means any person:

18 (a) Engaged in the business of selling vapor products in this
19 state who brings, or causes to be brought, into this state from
20 outside the state any vapor products for sale;

21 (b) Who makes, manufactures, fabricates, or stores vapor products
22 in this state for sale in this state;

23 (c) Engaged in the business of selling vapor products outside
24 this state who ships or transports vapor products to retailers or
25 consumers in this state; or

26 (d) Engaged in the business of selling vapor products in this
27 state who handles for sale any vapor products that are within this
28 state but upon which tax has not been imposed.

29 (6) "Indian country" has the same meaning as provided in RCW
30 82.24.010.

31 (7) "Manufacturer" has the same meaning as provided in RCW
32 70.345.010.

33 (8) "Manufacturer's representative" means a person hired by a
34 manufacturer to sell or distribute the manufacturer's vapor products
35 and includes employees and independent contractors.

36 (9) "Person" means: Any individual, receiver, administrator,
37 executor, assignee, trustee in bankruptcy, trust, estate, firm,
38 copartnership, joint venture, club, company, joint stock company,
39 business trust, municipal corporation, corporation, limited liability

1 company, association, or society; the state and its departments and
2 institutions; any political subdivision of the state of Washington;
3 and any group of individuals acting as a unit, whether mutual,
4 cooperative, fraternal, nonprofit, or otherwise. Except as provided
5 otherwise in this chapter, "person" does not include any person
6 immune from state taxation, including the United States or its
7 instrumentalities, and federally recognized Indian tribes and
8 enrolled tribal members, conducting business within Indian country.

9 (10) "Place of business" means any place where vapor products are
10 sold or where vapor products are manufactured, stored, or kept for
11 the purpose of sale, including any vessel, vehicle, airplane, or
12 train.

13 (11) "Retail outlet" has the same meaning as provided in RCW
14 70.345.010.

15 (12) "Retailer" has the same meaning as provided in RCW
16 70.345.010.

17 (13) "Sale" has the same meaning as provided in RCW 70.345.010.

18 (14) "Taxpayer" means a person liable for the tax imposed by this
19 chapter.

20 (15) "Vapor product" means any noncombustible product containing
21 a solution or other consumable substance, regardless of whether it
22 contains nicotine, which employs a mechanical heating element,
23 battery, or electronic circuit regardless of shape or size that can
24 be used to produce vapor from the solution or other substance,
25 including an electronic cigarette, electronic cigar, electronic
26 cigarillo, electronic pipe, or similar product or device. The term
27 also includes any cartridge or other container of liquid nicotine,
28 solution, or other consumable substance, regardless of whether it
29 contains nicotine, that is intended to be used with or in a device
30 that can be used to deliver aerosolized or vaporized nicotine to a
31 person inhaling from the device and is sold for such purpose.

32 (a) The term does not include:

33 (i) Any product approved by the United States food and drug
34 administration for sale as a tobacco cessation product, medical
35 device, or for other therapeutic purposes when such product is
36 marketed and sold solely for such an approved purpose;

37 (ii) Any product that will become an ingredient or component in a
38 vapor product manufactured by a distributor; or

39 (iii) Any product that meets the definition of (~~marijuana~~)
40 cannabis, useable (~~(marijuana, marijuana)~~) cannabis, cannabis

1 concentrates, (~~marijuana-infused~~) cannabis-infused products,
2 cigarette, or tobacco products.

3 (b) For purposes of this subsection (15):

4 (i) "Cigarette" has the same meaning as provided in RCW
5 82.24.010; and

6 (ii) (~~"Marijuana,"~~) "Cannabis," "useable (~~marijuana,"~~
7 ~~"marijuana~~) cannabis," "cannabis concentrates," and (~~"marijuana-~~
8 ~~infused~~) "cannabis-infused products" have the same meaning as
9 provided in RCW 69.50.101.

10 **Sec. 164.** RCW 82.29A.020 and 2015 3rd sp.s. c 6 s 2004 are each
11 amended to read as follows:

12 The definitions in this section apply throughout this chapter
13 unless the context requires otherwise.

14 (1)(a) "Leasehold interest" means an interest in publicly owned,
15 or specified privately owned, real or personal property which exists
16 by virtue of any lease, permit, license, or any other agreement,
17 written or verbal, between the owner of the property and a person who
18 would not be exempt from property taxes if that person owned the
19 property in fee, granting possession and use, to a degree less than
20 fee simple ownership. However, no interest in personal property
21 (excluding land or buildings) which is owned by the United States,
22 whether or not as trustee, or by any foreign government may
23 constitute a leasehold interest hereunder when the right to use such
24 property is granted pursuant to a contract solely for the manufacture
25 or production of articles for sale to the United States or any
26 foreign government. The term "leasehold interest" includes the rights
27 of use or occupancy by others of property which is owned in fee or
28 held in trust by a public corporation, commission, or authority
29 created under RCW 35.21.730 or 35.21.660 if the property is listed on
30 or is within a district listed on any federal or state register of
31 historical sites.

32 (b) The term "leasehold interest" does not include:

33 (i) Road or utility easements, rights of access, occupancy, or
34 use granted solely for the purpose of removing materials or products
35 purchased from an owner or the lessee of an owner, or rights of
36 access, occupancy, or use granted solely for the purpose of natural
37 energy resource exploration; or

38 (ii) The preferential use of publicly owned cargo cranes and
39 docks and associated areas used in the loading and discharging of

1 cargo located at a port district marine facility. "Preferential use"
2 means that publicly owned real or personal property is used by a
3 private party under a written agreement with the public owner, but
4 the public owner or any third party maintains a right to use the
5 property when not being used by the private party.

6 (2) (a) "Taxable rent" means contract rent as defined in (c) of
7 this subsection in all cases where the lease or agreement has been
8 established or renegotiated through competitive bidding, or
9 negotiated or renegotiated in accordance with statutory requirements
10 regarding the rent payable, or negotiated or renegotiated under
11 circumstances, established by public record, clearly showing that the
12 contract rent was the maximum attainable by the lessor. With respect
13 to a leasehold interest in privately owned property, "taxable rent"
14 means contract rent. However, after January 1, 1986, with respect to
15 any lease which has been in effect for ten years or more without
16 renegotiation, taxable rent may be established by procedures set
17 forth in (g) of this subsection. All other leasehold interests are
18 subject to the determination of taxable rent under the terms of (g)
19 of this subsection.

20 (b) For purposes of determining leasehold excise tax on any lands
21 on the Hanford reservation subleased to a private or public entity by
22 the department of ecology, taxable rent includes only the annual cash
23 rental payment made by such entity to the department of ecology as
24 specifically referred to as rent in the sublease agreement between
25 the parties and does not include any other fees, assessments, or
26 charges imposed on or collected by such entity irrespective of
27 whether the private or public entity pays or collects such other
28 fees, assessments, or charges as specified in the sublease agreement.

29 (c) "Contract rent" means the amount of consideration due as
30 payment for a leasehold interest, including: The total of cash
31 payments made to the lessor or to another party for the benefit of
32 the lessor according to the requirements of the lease or agreement,
33 including any rents paid by a sublessee; expenditures for the
34 protection of the lessor's interest when required by the terms of the
35 lease or agreement; and expenditures for improvements to the property
36 to the extent that such improvements become the property of the
37 lessor. Where the consideration conveyed for the leasehold interest
38 is made in combination with payment for concession or other rights
39 granted by the lessor, only that portion of such payment which

1 represents consideration for the leasehold interest is part of
2 contract rent.

3 (d) "Contract rent" does not include: (i) Expenditures made by
4 the lessee, which under the terms of the lease or agreement, are to
5 be reimbursed by the lessor to the lessee or expenditures for
6 improvements and protection made pursuant to a lease or an agreement
7 which requires that the use of the improved property be open to the
8 general public and that no profit will inure to the lessee from the
9 lease; (ii) expenditures made by the lessee for the replacement or
10 repair of facilities due to fire or other casualty including payments
11 for insurance to provide reimbursement for losses or payments to a
12 public or private entity for protection of such property from damage
13 or loss or for alterations or additions made necessary by an action
14 of government taken after the date of the execution of the lease or
15 agreement; (iii) improvements added to publicly owned property by a
16 sublessee under an agreement executed prior to January 1, 1976, which
17 have been taxed as personal property of the sublessee prior to
18 January 1, 1976, or improvements made by a sublessee of the same
19 lessee under a similar agreement executed prior to January 1, 1976,
20 and such improvements are taxable to the sublessee as personal
21 property; (iv) improvements added to publicly owned property if such
22 improvements are being taxed as personal property to any person.

23 (e) Any prepaid contract rent is considered to have been paid in
24 the year due and not in the year actually paid with respect to
25 prepayment for a period of more than one year. Expenditures for
26 improvements with a useful life of more than one year which are
27 included as part of contract rent must be treated as prepaid contract
28 rent and prorated over the useful life of the improvement or the
29 remaining term of the lease or agreement if the useful life is in
30 excess of the remaining term of the lease or agreement. Rent prepaid
31 prior to January 1, 1976, must be prorated from the date of
32 prepayment.

33 (f) With respect to a "product lease," the value is that value
34 determined at the time of sale under terms of the lease.

35 (g) If it is determined by the department of revenue, upon
36 examination of a lessee's accounts or those of a lessor of publicly
37 owned property, that a lessee is occupying or using publicly owned
38 property in such a manner as to create a leasehold interest and that
39 such leasehold interest has not been established through competitive
40 bidding, or negotiated in accordance with statutory requirements

1 regarding the rent payable, or negotiated under circumstances,
2 established by public record, clearly showing that the contract rent
3 was the maximum attainable by the lessor, the department may
4 establish a taxable rent computation for use in determining the tax
5 payable under authority granted in this chapter based upon the
6 following criteria: (i) Consideration must be given to rental being
7 paid to other lessors by lessees of similar property for similar
8 purposes over similar periods of time; (ii) consideration must be
9 given to what would be considered a fair rate of return on the market
10 value of the property leased less reasonable deductions for any
11 restrictions on use, special operating requirements or provisions for
12 concurrent use by the lessor, another person or the general public.

13 (3) "Product lease" as used in this chapter means a lease of
14 property for use in the production of agricultural or marine
15 products, not including the production of (~~marijuana~~) cannabis as
16 defined in RCW 69.50.101, to the extent that such lease provides for
17 the contract rent to be paid by the delivery of a stated percentage
18 of the production of such agricultural or marine products to the
19 credit of the lessor or the payment to the lessor of a stated
20 percentage of the proceeds from the sale of such products.

21 (4) "Renegotiated" means a change in the lease agreement which
22 changes the agreed time of possession, restrictions on use, the rate
23 of the cash rental or of any other consideration payable by the
24 lessee to or for the benefit of the lessor, other than any such
25 change required by the terms of the lease or agreement. In addition
26 "renegotiated" means a continuation of possession by the lessee
27 beyond the date when, under the terms of the lease agreement, the
28 lessee had the right to vacate the premises without any further
29 liability to the lessor.

30 (5) "City" means any city or town.

31 (6) "Products" includes natural resource products such as cut or
32 picked evergreen foliage, Cascara bark, wild edible mushrooms, native
33 ornamental trees and shrubs, ore and minerals, natural gas,
34 geothermal water and steam, and forage removed through the grazing of
35 livestock.

36 (7) "Publicly owned, or specified privately owned, real or
37 personal property" includes real or personal property:

38 (a) Owned in fee or held in trust by a public entity and exempt
39 from property tax under the laws or Constitution of this state or the
40 Constitution of the United States;

1 (b) Owned by a federally recognized Indian tribe in the state and
2 exempt from property tax under RCW 84.36.010;

3 (c) Owned by a nonprofit fair association exempt from property
4 tax under RCW 84.36.480(2), but only with respect to that portion of
5 the fair's property subject to the tax imposed in this chapter
6 pursuant to RCW 84.36.480(2)(b); or

7 (d) Owned by a community center exempt from property tax under
8 RCW 84.36.010.

9 **Sec. 165.** RCW 82.84.030 and 2019 c 2 s 3 are each amended to
10 read as follows:

11 For purposes of this chapter:

12 (1) "Alcoholic beverages" has the same meaning as provided in RCW
13 82.08.0293.

14 (2) "Groceries" means any raw or processed food or beverage, or
15 any ingredient thereof, intended for human consumption except
16 alcoholic beverages, (~~marijuana~~) cannabis products, and tobacco.
17 "Groceries" includes, but is not limited to, meat, poultry, fish,
18 fruits, vegetables, grains, bread, milk, cheese and other dairy
19 products, nonalcoholic beverages, kombucha with less than 0.5%
20 alcohol by volume, condiments, spices, cereals, seasonings, leavening
21 agents, eggs, cocoa, teas, and coffees whether raw or processed.

22 (3) "Local governmental entity" has the same meaning as provided
23 in RCW 4.96.010.

24 (4) (~~"Marijuana~~) "Cannabis products" has the same meaning as
25 provided in RCW 69.50.101.

26 (5) "Tax, fee, or other assessment on groceries" includes, but is
27 not limited to, a sales tax, gross receipts tax, business and
28 occupation tax, business license tax, excise tax, privilege tax, or
29 any other similar levy, charge, or exaction of any kind on groceries
30 or the manufacture, distribution, sale, possession, ownership,
31 transfer, transportation, container, use, or consumption thereof.

32 (6) "Tobacco" has the same meaning as provided in RCW 82.08.0293.

33 **Sec. 166.** RCW 84.34.410 and 2014 c 140 s 27 are each amended to
34 read as follows:

35 The provisions of this chapter do not apply with respect to land
36 used in the growing, raising, or producing of (~~marijuana~~) cannabis,
37 useable (~~marijuana, or marijuana-infused~~) cannabis, or cannabis-
38 infused products as those terms are defined under RCW 69.50.101.

1 **Sec. 167.** RCW 84.40.030 and 2014 c 140 s 29 are each amended to
2 read as follows:

3 (1) All property must be valued at one hundred percent of its
4 true and fair value in money and assessed on the same basis unless
5 specifically provided otherwise by law.

6 (2) Taxable leasehold estates must be valued at such price as
7 they would bring at a fair, voluntary sale for cash without any
8 deductions for any indebtedness owed including rentals to be paid.

9 (3) The true and fair value of real property for taxation
10 purposes (including property upon which there is a coal or other
11 mine, or stone or other quarry) must be based upon the following
12 criteria:

13 (a) Any sales of the property being appraised or similar
14 properties with respect to sales made within the past five years. The
15 appraisal must be consistent with the comprehensive land use plan,
16 development regulations under chapter 36.70A RCW, zoning, and any
17 other governmental policies or practices in effect at the time of
18 appraisal that affect the use of property, as well as physical and
19 environmental influences. An assessment may not be determined by a
20 method that assumes a land usage or highest and best use not
21 permitted, for that property being appraised, under existing zoning
22 or land use planning ordinances or statutes or other government
23 restrictions. The appraisal must also take into account: (i) In the
24 use of sales by real estate contract as similar sales, the extent, if
25 any, to which the stated selling price has been increased by reason
26 of the down payment, interest rate, or other financing terms; and
27 (ii) the extent to which the sale of a similar property actually
28 represents the general effective market demand for property of such
29 type, in the geographical area in which such property is located.
30 Sales involving deed releases or similar seller-developer financing
31 arrangements may not be used as sales of similar property.

32 (b) In addition to sales as defined in subsection (3)(a) of this
33 section, consideration may be given to cost, cost less depreciation,
34 reconstruction cost less depreciation, or capitalization of income
35 that would be derived from prudent use of the property, as limited by
36 law or ordinance. Consideration should be given to any agreement,
37 between an owner of rental housing and any government agency, that
38 restricts rental income, appreciation, and liquidity; and to the
39 impact of government restrictions on operating expenses and on
40 ownership rights in general of such housing. In the case of property

1 of a complex nature, or being used under terms of a franchise from a
2 public agency, or operating as a public utility, or property not
3 having a record of sale within five years and not having a
4 significant number of sales of similar property in the general area,
5 the provisions of this subsection must be the dominant factors in
6 valuation. When provisions of this subsection are relied upon for
7 establishing values the property owner must be advised upon request
8 of the factors used in arriving at such value.

9 (c) In valuing any tract or parcel of real property, the true and
10 fair value of the land, exclusive of structures thereon must be
11 determined; also the true and fair value of structures thereon, but
12 the valuation may not exceed the true and fair value of the total
13 property as it exists. In valuing agricultural land, growing crops
14 must be excluded. For purposes of this subsection (3)(c), "growing
15 crops" does not include (~~marijuana~~) cannabis as defined under RCW
16 69.50.101.

17 NEW SECTION. Sec. 168. A new section is added to chapter 69.50
18 RCW to read as follows:

19 The board must use expedited rule making under RCW 34.05.353 to
20 replace the term "marijuana" with the term "cannabis" throughout
21 Title 314 WAC.

22 NEW SECTION. Sec. 169. A new section is added to chapter 69.50
23 RCW to read as follows:

24 The term "marijuana" as used under federal law generally refers
25 to the term "cannabis" used throughout the Revised Code of
26 Washington.

27 NEW SECTION. Sec. 170. Sections 7, 51, and 116 of this act take
28 effect July 1, 2022.

29 NEW SECTION. Sec. 171. Sections 4, 8, 85, and 87 of this act
30 expire July 1, 2023.

31 NEW SECTION. Sec. 172. Sections 5, 9, 86, and 88 of this act
32 take effect July 1, 2023.

33 NEW SECTION. Sec. 173. Sections 64 and 67 of this act expire
34 July 1, 2024.

1 NEW SECTION. **Sec. 174.** Sections 65 and 68 of this act take
2 effect July 1, 2024.

3 NEW SECTION. **Sec. 175.** Section 10 of this act expires July 1,
4 2030.

5 NEW SECTION. **Sec. 176.** Section 11 of this act takes effect July
6 1, 2030.

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