
SENATE BILL 5887

State of Washington

63rd Legislature

2013 Regular Session

By Senators Rivers, Tom, and Litzow

Read first time 03/28/13. Referred to Committee on Ways & Means.

1 AN ACT Relating to the medical use of cannabis; amending RCW
2 69.51A.010, 69.51A.020, 69.51A.030, 69.51A.040, 69.51A.047, 69.51A.055,
3 69.51A.060, 69.51A.085, and 69.51A.140; adding new sections to chapter
4 69.51A RCW; adding a new section to chapter 82.08 RCW; adding a new
5 section to chapter 82.12 RCW; repealing RCW 69.51A.043; prescribing
6 penalties; providing an effective date; and providing a contingent
7 effective date.

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

9 **Sec. 1.** RCW 69.51A.010 and 2010 c 284 s 2 are each amended to read
10 as follows:

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

13 (1) "Cannabis" means all parts of the plant *Cannabis*, whether
14 growing or not; the seeds thereof; the resin extracted from any part of
15 the plant; and every compound, manufacture, salt, derivative, mixture,
16 or preparation of the plant, its seeds, or resin. For the purposes of
17 this chapter, "cannabis" does not include the mature stalks of the
18 plant, fiber produced from the stalks, oil or cake made from the seeds
19 of the plant, any other compound, manufacture, salt, derivative,

1 mixture, or preparation of the mature stalks, except the resin
2 extracted therefrom, fiber, oil, or cake, or the sterilized seed of the
3 plant which is incapable of germination. "Cannabis" includes cannabis
4 products and useable cannabis.

5 (2) "Cannabis products" means products that contain cannabis or
6 cannabis extracts, have a measurable THC concentration greater than one
7 percent, and are intended for human consumption or application,
8 including, but not limited to, edible products, tinctures, and lotions.
9 "Cannabis products," does not include useable cannabis. "Cannabis
10 products," as a measurement of THC concentration, only applies to the
11 provisions of this chapter and is not considered applicable to any
12 criminal laws related to marijuana or cannabis.

13 (3) "Collective garden" means qualifying patients sharing
14 responsibility for acquiring and supplying the resources required to
15 produce, process, and deliver cannabis for medical use such as, for
16 example, a location for a collective garden; equipment, supplies, and
17 labor necessary to plant, grow, and harvest cannabis; cannabis plants,
18 seeds, and cuttings; and equipment, supplies, and labor necessary for
19 proper construction, plumbing, wiring, and ventilation of a garden of
20 cannabis plants.

21 (4) "Correctional facility" has the same meaning as provided in RCW
22 72.09.015.

23 (5) "Corrections agency or department" means any agency or
24 department in the state of Washington, including local governments or
25 jails, that is vested with the responsibility to manage those
26 individuals who are being supervised in the community for a criminal
27 conviction and has established a written policy for determining when
28 the medical use of cannabis, including possession, manufacture, or
29 delivery of, or for possession with intent to manufacture or deliver,
30 is inconsistent with and contrary to the person's supervision.

31 (6) "Deliver" means a medical cannabis dispensary that makes
32 deliveries of medical cannabis and other medical cannabis products to
33 qualifying patients by way of automobile, bus, bicycle, or any other
34 conveyance.

35 (7)(a) "Designated provider" means a person who:

36 ((+a)) (i) Is eighteen years of age or older;

37 ((+b)) (ii) Has been designated in ((writing)) a written document

1 signed and dated by a qualifying patient to serve as a designated
2 provider under this chapter; and

3 ~~((c))~~ (iii) Is ~~((prohibited from consuming marijuana obtained for~~
4 ~~the personal, medical use of the patient for whom the individual is~~
5 ~~acting as designated provider; and~~

6 ~~(d) Is the designated provider to only one patient at any one time.~~
7 ~~(2))~~ in compliance with the terms and conditions set forth in RCW
8 69.51A.040.

9 (b) A qualifying patient may be the designated provider for another
10 qualifying patient and be in possession of both patients' cannabis at
11 the same time.

12 (8) "Dispense" means the selection, measuring, packaging, labeling,
13 delivery, or retail sale of cannabis by a licensed dispenser to a
14 qualifying patient or designated provider.

15 (9) "Health care professional," for purposes of this chapter only,
16 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, an osteopathic physicians' assistant
19 licensed under chapter 18.57A RCW, a naturopath licensed under chapter
20 18.36A RCW, or an advanced registered nurse practitioner licensed under
21 chapter 18.79 RCW.

22 ~~((3))~~ (10) "Health care services" means services provided by a
23 health care professional under the standard of care for his or her
24 profession and does not include the sale of supplements, drugs,
25 remedies, or other retail sales for the purposes of this chapter.

26 (11) "Label" means all labels and other written, printed, or
27 graphic matter upon any cannabis intended for medical use or
28 accompanying such cannabis.

29 (12) "Medical cannabis dispensary" means a facility licensed by the
30 liquor control board and that dispenses cannabis for medical use to
31 qualifying patients and designated providers.

32 (13) "Medical cannabis processor" means a person or entity licensed
33 by the liquor control board that operates in a licensed commercial
34 kitchen that processes cannabis leaves and flowers into oils, foods,
35 extracts, resins, lotions, drinks, and other forms of infused cannabis
36 products. The term is not intended to include the trimming and sorting
37 of flowers, stems, and leaves by a medical cannabis producer into
38 useable cannabis.

1 (14) "Medical cannabis producer" means a farmer, grower, or planter
2 who is licensed by the liquor control board and produces cannabis for
3 use by medical cannabis dispensaries and medical cannabis processors
4 under this chapter.

5 (15) "Medical use of ((marijuana)) cannabis" means the manufacture,
6 production, possession, transportation, delivery, ingestion,
7 application, or administration of ((marijuana, as defined in RCW
8 69.50.101(q),)) cannabis for the exclusive benefit of a qualifying
9 patient in the treatment of his or her terminal or debilitating
10 ((illness)) medical condition.

11 ((+4)) (16) "Peace officer" means any law enforcement personnel as
12 defined in RCW 43.101.010.

13 (17) "Person" means an individual or an entity.

14 (18) "Plant" means an organism having at least three
15 distinguishable and distinct leaves, each leaf being at least three
16 centimeters in diameter, and a readily observable root formation
17 consisting of at least two separate and distinct roots, each being at
18 least two centimeters in length. Multiple stalks emanating from the
19 same root ball or root system is considered part of the same single
20 plant.

21 (19) "Public place" includes streets and alleys of incorporated
22 cities and towns; state or county or township highways or roads;
23 buildings and grounds used for school purposes; public dance halls and
24 grounds adjacent thereto; premises where goods and services are offered
25 to the public for retail sale; public buildings, public meeting halls,
26 lobbies, halls and dining rooms of hotels, restaurants, theatres,
27 stores, garages, and filling stations that are open to and are
28 generally used by the public and to which the public is permitted to
29 have unrestricted access; railroad trains, stages, buses, ferries, and
30 other public conveyances of all kinds and character, and the depots,
31 stops, and waiting rooms used in conjunction therewith which are open
32 to unrestricted use and access by the public; publicly owned bathing
33 beaches, parks, or playgrounds; and all other places of like or similar
34 nature to which the general public has unrestricted right of access,
35 and that are generally used by the public.

36 (20) "Qualifying patient" means a person who:

37 (a)(i) Is at least eighteen years of age or is under the age of
38 eighteen but has a parent or legal guardian signature on their valid

1 documentation and has been seen at least twice by the diagnosing health
2 care professional about the use of medical cannabis prior to the
3 issuance of any valid documentation;

4 (ii) Is a patient of a health care professional;

5 ~~((b))~~ (iii) Has been diagnosed and examined in person by that
6 health care professional as having a terminal or debilitating medical
7 condition;

8 ~~((e))~~ (iv) Is a resident of the state of Washington at the time
9 of such diagnosis;

10 ~~((d))~~ (v) Has been advised by that health care professional about
11 the risks and benefits of the medical use of (~~marijuana~~) cannabis;

12 ~~(and~~

13 ~~(e))~~ (vi) Has been advised by that health care professional that
14 (~~they~~) he or she may benefit from the medical use of (~~marijuana~~)
15 cannabis; and

16 (vii) Is otherwise in compliance with the terms and conditions
17 established in this chapter.

18 (b) "Qualifying patient" does not include a person who is actively
19 being supervised for a criminal conviction by a corrections agency or
20 department that has determined that the terms of this chapter are
21 inconsistent with and contrary to his or her supervision and all
22 related processes and procedures related to that supervision.

23 ~~((5))~~ (21) "Tamper-resistant paper" means paper that meets one or
24 more of the following industry-recognized features:

25 (a) One or more features designed to prevent copying of the paper;

26 (b) One or more features designed to prevent the erasure or
27 modification of information on the paper; or

28 (c) One or more features designed to prevent the use of counterfeit
29 valid documentation.

30 ~~((6))~~ (22) "Terminal or debilitating medical condition" means:

31 (a) Cancer, human immunodeficiency virus (HIV), multiple sclerosis,
32 epilepsy or other seizure disorder, or spasticity disorders; or

33 (b) Intractable pain, limited for the purpose of this chapter to
34 mean pain unrelieved by standard medical treatments and medications; or

35 (c) Glaucoma, either acute or chronic, limited for the purpose of
36 this chapter to mean increased intraocular pressure unrelieved by
37 standard treatments and medications; or

1 (d) Crohn's disease with debilitating symptoms unrelieved by
2 standard treatments or medications; or

3 (e) Hepatitis C with debilitating nausea or intractable pain
4 unrelieved by standard treatments or medications; or

5 (f) Diseases, including anorexia, which result in nausea, vomiting,
6 wasting, appetite loss, cramping, seizures, muscle spasms, or
7 spasticity, when these symptoms are unrelieved by standard treatments
8 or medications; or

9 (g) Any other medical condition duly approved by the Washington
10 state medical quality assurance commission in consultation with the
11 board of osteopathic medicine and surgery as directed in this chapter.

12 ~~((7))~~ (23) "THC concentration" means percent of
13 tetrahydrocannabinol content per weight or volume of useable cannabis
14 or cannabis product.

15 (24) "Useable cannabis" means dried flowers of the Cannabis plant
16 having a THC concentration greater than three-tenths of one percent.
17 Useable cannabis excludes stems, stalks, leaves, seeds, and roots. For
18 purposes of this subsection, "dried" means containing less than fifteen
19 percent moisture content by weight. "Useable cannabis" does not
20 include cannabis products.

21 (25) "Valid documentation" means:

22 (a) A statement, valid for up to one year for a qualifying patient
23 who is at least eighteen years of age or valid for up to ninety days
24 for a qualifying patient who is under eighteen years of age, signed and
25 dated by a qualifying patient's health care professional written on
26 tamper-resistant paper, which states that, in the health care
27 professional's professional opinion, the patient may benefit from the
28 medical use of ~~((marijuana))~~ cannabis; and

29 (b) Proof of identity such as a Washington state driver's license
30 or identicard, as defined in RCW 46.20.035.

31 **Sec. 2.** RCW 69.51A.020 and 2011 c 181 s 103 are each amended to
32 read as follows:

33 ~~((Nothing in this chapter shall be construed to supersede~~
34 ~~Washington state law prohibiting the acquisition, possession,~~
35 ~~manufacture, sale, or use of cannabis for nonmedical purposes.))~~
36 Criminal penalties created under this chapter ~~((181, Laws of 2011))~~ do

1 not preclude the prosecution or punishment for other crimes, including
2 other crimes involving the manufacture or delivery of cannabis for
3 nonmedical purposes.

4 **Sec. 3.** RCW 69.51A.030 and 2011 c 181 s 301 are each amended to
5 read as follows:

6 (1) The following acts do not constitute crimes under state law or
7 unprofessional conduct under chapter 18.130 RCW, and a health care
8 professional may not be arrested, searched, prosecuted, disciplined, or
9 subject to other criminal sanctions or civil consequences or liability
10 under state law, or have real or personal property searched, seized, or
11 forfeited pursuant to state law, notwithstanding any other provision of
12 law as long as the health care professional complies with subsection
13 (2) of this section:

14 (a) Advising a qualifying patient about the risks and benefits of
15 medical use of cannabis or that the qualifying patient may benefit from
16 the medical use of cannabis; or

17 (b) Providing a qualifying patient (~~((meeting the criteria~~
18 ~~established under RCW 69.51A.010(26))~~) with valid documentation, based
19 upon the health care professional's assessment of the patient's medical
20 history and current medical condition, where such use is within a
21 professional standard of care or in the individual health care
22 professional's medical judgment.

23 (2)(a) A health care professional may only provide a qualifying
24 patient with valid documentation authorizing the medical use of
25 cannabis (~~((or register the patient with the registry established in~~
26 ~~section 901 of this act))~~) if he or she has a newly initiated or
27 existing documented relationship with the qualifying patient, as a
28 primary care provider or a specialist, relating to the diagnosis and
29 ongoing treatment or monitoring of the qualifying patient's terminal or
30 debilitating medical condition, and only after:

31 (i) Completing (~~((a))~~) an in-person physical examination of the
32 patient (~~((as appropriate, based on the patient's condition and age))~~);

33 (ii) Documenting (~~((the))~~) in the patient's medical record that the
34 patient may benefit from treatment of a terminal or debilitating
35 medical condition ((of the patient)) or its symptoms with medical use
36 of cannabis. The health care professional must either diagnose the
37 terminal or debilitating medical condition or document in the patient's

1 medical record (~~and that the patient may benefit from treatment of~~
2 ~~this condition or its symptoms with medical use of cannabis~~) the name
3 of the health care professional who has made such diagnosis;

4 (iii) Informing the qualifying patient of other options for
5 treating the terminal or debilitating medical condition; and

6 (iv) Documenting other measures attempted to treat the terminal or
7 debilitating medical condition that do not involve the medical use of
8 cannabis.

9 (b) A health care professional shall not:

10 (i) Accept, solicit, or offer any form of pecuniary remuneration
11 from or to a (~~licensed dispenser, licensed producer, or licensed~~
12 ~~processor of cannabis products~~) medical cannabis dispensary, medical
13 cannabis processor, medical cannabis producer, or collective garden;

14 (ii) Offer a discount or any other thing of value to a qualifying
15 patient who is a customer of, or agrees to be a customer of, a
16 particular (~~licensed dispenser, licensed producer, or licensed~~
17 ~~processor of cannabis products~~) medical cannabis dispensary, medical
18 cannabis processor, medical cannabis producer, or collective garden;

19 (iii) Examine or offer to examine a patient for purposes of
20 diagnosing a terminal or debilitating medical condition at ((a)) the
21 location (~~where cannabis is produced, processed, or dispensed~~) of a
22 medical cannabis dispensary, medical cannabis processor, medical
23 cannabis producer, or collective garden;

24 (iv) Have a business or practice or work for a business or practice
25 which consists solely of authorizing the medical use of cannabis and
26 where additional health care services are not offered;

27 (v) Include any statement or reference, visual or otherwise, on the
28 medical use of cannabis in any advertisement for his or her business or
29 practice; ((e))

30 (vi) Hold an economic interest in an enterprise that produces,
31 processes, or dispenses cannabis if the health care professional
32 authorizes the medical use of cannabis;

33 (vii) Authorize the medical use of cannabis for a person who is
34 under the age of eighteen without consulting with the person for a
35 minimum of two times on two separate office visits; or

36 (viii) Authorize the medical use of cannabis for a person who is
37 under the age of eighteen without written consent from the person's
38 parent or legal guardian.

1 (3) A violation of any provision of subsection (2) of this section
2 constitutes unprofessional conduct under chapter 18.130 RCW.

3 **Sec. 4.** RCW 69.51A.040 and 2011 c 181 s 401 are each amended to
4 read as follows:

5 The medical use of cannabis in accordance with the terms and
6 conditions of this chapter does not constitute a crime and a qualifying
7 patient or designated provider in compliance with the terms and
8 conditions of this chapter may not be arrested, prosecuted, or subject
9 to other criminal sanctions or civil consequences, for possession,
10 manufacture, or delivery of, or for possession with intent to
11 manufacture or deliver, cannabis under state law, or have real or
12 personal property seized or forfeited for possession, manufacture, or
13 delivery of, or for possession with intent to manufacture or deliver,
14 cannabis under state law, and investigating peace officers and law
15 enforcement agencies may not be held civilly liable for failure to
16 seize cannabis in this circumstance, if:

17 (1)(a) The qualifying patient or designated provider possesses no
18 more than fifteen cannabis plants and:

19 (i) No more than twenty-four ounces of useable cannabis;

20 (ii) No more cannabis product than what could reasonably be
21 produced with no more than twenty-four ounces of useable cannabis; or

22 (iii) A combination of useable cannabis and cannabis product that
23 does not exceed a combined total representing possession and processing
24 of no more than twenty-four ounces of useable cannabis.

25 (b) If a person is both a qualifying patient and a designated
26 provider for another qualifying patient, the person may possess no more
27 than twice the amounts described in (a) of this subsection, whether the
28 plants, useable cannabis, and cannabis product are possessed
29 individually or in combination between the qualifying patient and his
30 or her designated provider;

31 (2) The qualifying patient or designated provider presents his or
32 her (~~(proof of registration with the department of health,)~~) valid
33 documentation to any peace officer who questions the patient or
34 provider regarding his or her medical use of cannabis;

35 (3) (~~(The qualifying patient or designated provider keeps a copy of~~
36 ~~his or her proof of registration with the registry established in~~
37 ~~section 901 of this act and the qualifying patient or designated~~

1 ~~provider's contact information posted prominently next to any cannabis~~
2 ~~plants, cannabis products, or useable cannabis located at his or her~~
3 ~~residence;~~

4 ~~(4))~~) The investigating peace officer does not possess evidence
5 that:

6 (a) The designated provider has converted cannabis produced or
7 obtained for the qualifying patient for his or her own personal use or
8 benefit; or

9 (b) The qualifying patient has converted cannabis produced or
10 obtained for his or her own medical use to the qualifying patient's
11 personal, nonmedical use or benefit; and

12 ~~((5))~~) (4) The investigating peace officer does not possess
13 evidence that the designated provider has served as a designated
14 provider to more than one qualifying patient within a fifteen-day
15 period(~~(+and~~

16 ~~(6) The investigating peace officer has not observed evidence of~~
17 ~~any of the circumstances identified in section 901(4) of this act)).~~

18 **Sec. 5.** RCW 69.51A.047 and 2011 c 181 s 406 are each amended to
19 read as follows:

20 A qualifying patient or designated provider who ~~((is not registered~~
21 ~~with the registry established in section 901 of this act or))~~ does not
22 present his or her valid documentation to a peace officer who questions
23 the patient or provider regarding his or her medical use of cannabis
24 but is in compliance with all other terms and conditions of this
25 chapter may establish an affirmative defense to charges of violations
26 of state law relating to cannabis through proof at trial, by a
27 preponderance of the evidence, that he or she was a validly authorized
28 qualifying patient or designated provider at the time of the officer's
29 questioning. A qualifying patient or designated provider who
30 establishes an affirmative defense under the terms of this section may
31 also establish an affirmative defense under RCW 69.51A.045.

32 **Sec. 6.** RCW 69.51A.055 and 2011 c 181 s 1105 are each amended to
33 read as follows:

34 (1)(a) The arrest and prosecution protections established in RCW
35 69.51A.040 may not be asserted in a supervision revocation or violation
36 hearing by a person who is supervised by a corrections agency or

1 department, including local governments or jails, that has determined
2 that the terms of this section are inconsistent with and contrary to
3 his or her supervision.

4 (b) The affirmative defenses established in RCW (~~69.51A.043,~~)
5 69.51A.045(~~(7)~~) and 69.51A.047(~~(7, and section 407 of this act)~~) may not
6 be asserted in a supervision revocation or violation hearing by a
7 person who is supervised by a corrections agency or department,
8 including local governments or jails, that has determined that the
9 terms of this section are inconsistent with and contrary to his or her
10 supervision.

11 (2) The provisions of RCW 69.51A.040, 69.51A.085, and 69.51A.025 do
12 not apply to a person who is supervised for a criminal conviction by a
13 corrections agency or department, including local governments or jails,
14 that has determined that the terms of this chapter are inconsistent
15 with and contrary to his or her supervision.

16 (~~(3) A person may not be licensed as a licensed producer, licensed
17 processor of cannabis products, or a licensed dispenser under section
18 601, 602, or 701 of this act if he or she is supervised for a criminal
19 conviction by a corrections agency or department, including local
20 governments or jails, that has determined that licensure is
21 inconsistent with and contrary to his or her supervision.~~)

22 **Sec. 7.** RCW 69.51A.060 and 2011 c 181 s 501 are each amended to
23 read as follows:

24 (1) It shall be a class 3 civil infraction to use or display
25 medical cannabis in a manner or place which is open to the view of the
26 general public.

27 (2) Nothing in this chapter establishes a right of care as a
28 covered benefit or requires any state purchased health care as defined
29 in RCW 41.05.011 or other health carrier or health plan as defined in
30 Title 48 RCW to be liable for any claim for reimbursement for the
31 medical use of cannabis. Such entities may enact coverage or
32 noncoverage criteria or related policies for payment or nonpayment of
33 medical cannabis in their sole discretion.

34 (3) Nothing in this chapter requires any health care professional
35 to authorize the medical use of cannabis for a patient.

36 (4) Nothing in this chapter requires any accommodation of any on-

1 site medical use of cannabis in any place of employment, in any school
2 bus or on any school grounds, in any youth center, in any correctional
3 facility, or smoking cannabis in any public place or hotel or motel.

4 (5) Nothing in this chapter authorizes the use of medical cannabis
5 by any person who is subject to the Washington code of military justice
6 in chapter 38.38 RCW.

7 (6) Employers may establish drug-free work policies. Nothing in
8 this chapter requires an accommodation for the medical use of cannabis
9 if an employer has a drug-free work place.

10 (7) It is a class C felony to fraudulently produce any record
11 purporting to be, or tamper with the content of any record for the
12 purpose of having it accepted as, valid documentation (~~(under RCW~~
13 ~~69.51A.010(32)(a))~~), or to backdate such documentation to a time
14 earlier than its actual date of execution.

15 (8) No person shall be entitled to claim the protection from arrest
16 and prosecution under RCW 69.51A.040 (~~(or the affirmative defense under~~
17 ~~RCW 69.51A.043)~~) for engaging in the medical use of cannabis in a way
18 that endangers the health or well-being of any person through the use
19 of a motorized vehicle on a street, road, or highway, including
20 violations of RCW 46.61.502 or 46.61.504, or equivalent local
21 ordinances.

22 **Sec. 8.** RCW 69.51A.085 and 2011 c 181 s 403 are each amended to
23 read as follows:

24 (1) Qualifying patients may create and participate in collective
25 gardens for the purpose of producing, processing, transporting, and
26 delivering cannabis for medical use subject to the following
27 conditions:

28 (a) No more than ten qualifying patients may participate in a
29 single collective garden (~~(at any time)~~) per day;

30 (b) A collective garden may contain no more than fifteen plants per
31 patient up to a total of forty-five plants;

32 (c) A collective garden may contain no more than twenty-four ounces
33 of useable cannabis per patient up to a total of seventy-two ounces of
34 useable cannabis;

35 (d) A copy of each qualifying patient's valid documentation (~~(or~~
36 ~~proof of registration with the registry established in section 901 of~~

1 ~~this act, including))~~ and a copy of the patient's proof of
2 identity((~~7~~)) must be available at all times on the premises of the
3 collective garden; and

4 (e) No useable cannabis from the collective garden is delivered to
5 anyone other than one of the qualifying patients participating in the
6 collective garden.

7 ~~(2) ((For purposes of this section, the creation of a "collective~~
8 ~~garden" means qualifying patients sharing responsibility for acquiring~~
9 ~~and supplying the resources required to produce and process cannabis~~
10 ~~for medical use such as, for example, a location for a collective~~
11 ~~garden; equipment, supplies, and labor necessary to plant, grow, and~~
12 ~~harvest cannabis; cannabis plants, seeds, and cuttings; and equipment,~~
13 ~~supplies, and labor necessary for proper construction, plumbing,~~
14 ~~wiring, and ventilation of a garden of cannabis plants.~~

15 ~~(3))~~ A person who knowingly violates a provision of subsection (1)
16 of this section is not entitled to the protections of this chapter.

17 (3) If the governor vetoes any part of this act, this section does
18 not take effect.

19 NEW SECTION. Sec. 9. A new section is added to chapter 69.51A RCW
20 to read as follows:

21 (1) No person or entity may operate a medical cannabis dispensary
22 without obtaining a license issued by the liquor control board for each
23 dispensary location.

24 (2) Medical cannabis dispensaries and their employees, members,
25 officers, volunteers, and directors may deliver, distribute, dispense,
26 transfer, prepare, package, repackage, label, relabel, sell at retail,
27 or possess cannabis intended for medical use by qualifying patients,
28 and shall not be arrested, searched, prosecuted, or subject to other
29 criminal sanctions or civil consequences under state law, or have real
30 or personal property searched, seized, or forfeited pursuant to state
31 law, for such activities, if they are in compliance with this chapter.

32 (3) Medical cannabis dispensaries may not sell cannabis received
33 from any person other than a medical cannabis producer or medical
34 cannabis processor. Medical cannabis dispensaries may not sell or
35 deliver cannabis to any person other than a qualifying patient,
36 designated provider, or medical cannabis producer.

1 (4) A violation of this section is a class C felony punishable
2 under chapter 9A.20 RCW.

3 NEW SECTION. **Sec. 10.** A new section is added to chapter 69.51A
4 RCW to read as follows:

5 (1) No person or entity may act as a medical cannabis producer
6 without obtaining a license issued by the liquor control board for each
7 production facility of the medical cannabis producer.

8 (2) Medical cannabis producers, their employees, officers, and
9 directors may manufacture, plant, cultivate, grow, harvest, produce,
10 prepare, propagate, process, package, repackage, label, relabel, sell,
11 or possess cannabis intended for medical use by qualifying patients and
12 may not be subject to criminal or civil penalties so long as they are
13 in compliance with this chapter. Unless they meet the definition of
14 medical cannabis processor or medical cannabis dispensary, medical
15 cannabis producers are not permitted to sell or deliver cannabis to
16 qualifying patients. Medical cannabis producers may transport,
17 transfer, or deliver cannabis to medical cannabis processors and
18 medical cannabis dispensaries.

19 NEW SECTION. **Sec. 11.** A new section is added to chapter 69.51A
20 RCW to read as follows:

21 (1) No person or entity may act as a medical cannabis processor
22 without obtaining a license issued by the liquor control board for each
23 processing facility of the medical cannabis processor.

24 (2) Medical cannabis processors, their employees, officers, and
25 directors may process, package, repackage, label, relabel, sell, or
26 possess cannabis intended for medical use by qualifying patients and
27 may not be subject to criminal or civil penalties so long as they are
28 in compliance with this chapter. Unless they meet the definition of
29 medical cannabis dispensary or medical cannabis producer, medical
30 cannabis processors may not produce, sell, or deliver cannabis to
31 qualifying patients.

32 NEW SECTION. **Sec. 12.** A new section is added to chapter 69.51A
33 RCW to read as follows:

34 (1) By July 1, 2014, after consulting with qualifying patients,
35 designated providers, health care professionals, appropriate state

1 agencies, medical cannabis producers, medical cannabis processors,
2 medical cannabis access points, and other affected persons, the liquor
3 control board must adopt rules concerning the operation, licensing,
4 enforcement, and regulation of medical cannabis producers, medical
5 cannabis processors, and medical cannabis dispensaries.

6 (a) Rules relating to the sale of medical cannabis and medical
7 cannabis products must address production, transportation, labeling,
8 infusing, baking, weighing, testing, quality and safety control, and
9 security requirements.

10 (b) Rules must require that licenses be issued to applicants who
11 are twenty-one years of age or older at the time of application. No
12 licenses may be issued to a person who is under the age of twenty-one
13 at the time of application.

14 (c) The liquor control board may not adopt rules that deny
15 licensure to any applicant based upon previous felony or misdemeanor
16 convictions on cannabis only charges provided the conviction did not
17 include any sentencing enhancements under RCW 9.94A.533 or analogous
18 laws in other jurisdictions. This section does not prohibit the liquor
19 control board from denying, suspending, or revoking the credential of
20 a license holder for other drug-related offenses or any other criminal
21 offenses if there is sufficient evidence to believe it is in the best
22 interest of public safety and prevention of diversion of cannabis to
23 other states, children, or any nonlicensed sales.

24 (d) Before adopting a new rule, the liquor control board must
25 consider whether there will be any resulting industry cost and price
26 increases resulting from that rule. The liquor control board must make
27 reasonable attempts to keep prices low for medical cannabis patients
28 when considering the adoption of any rule.

29 (e) Rules adopted must allow medical cannabis dispensary license
30 holders and applicants to also receive licenses as processors and
31 producers of medical cannabis provided that the applicants qualify
32 under all other conditions in the final application process. No rules
33 may be adopted that bar applicants from obtaining all three licenses
34 concurrently.

35 (2) In developing rules under this section, the liquor control
36 board may:

37 (a) Consult with other state agencies as needed on the development

1 of rules and enforcement of the production and processing of medical
2 cannabis;

3 (b) Establish license application and renewal fees adequate to
4 recapture the cost to the state of implementing, maintaining, and
5 enforcing this chapter and to carry out its purposes. Fees must
6 reflect a range of classes of licenses, varying in proportion to the
7 amount of floor space, in square feet, that a licensee will occupy.
8 Licensing fees for medical cannabis dispensaries, medical cannabis
9 processors, and medical cannabis producers may include any costs for
10 reimbursing other agencies for their staff time and expertise in
11 administering the medical cannabis licensing program;

12 (c) Establish requirements for the licensure of medical cannabis
13 dispensaries, including application procedures, expiration dates, and
14 renewal requirements;

15 (d) Provide for mandatory inspection of medical cannabis
16 dispensaries;

17 (e) Establish procedures governing fines for noncompliance and the
18 protocols for suspension and revocation of licenses of medical cannabis
19 producers, medical cannabis processors, and medical dispensers;

20 (f) Establish recordkeeping requirements for medical cannabis
21 dispensaries;

22 (g) Establish safety standards for containers to be used for
23 dispensing cannabis for medical use;

24 (h) Establish cannabis storage requirements, including security
25 requirements;

26 (i) Establish cannabis labeling requirements, to include, at a
27 minimum, information on whether the cannabis was grown using organic,
28 inorganic, or synthetic fertilizers as well as stating whether any
29 contaminants such as mold or other dangerous substances were present in
30 the cannabis at the time of testing or inspection;

31 (j) Establish physical standards for cannabis dispensing facilities
32 and equipment; and

33 (k) Establish other rules needed to ensure the safety and security
34 of medical cannabis and medical cannabis products.

35 NEW SECTION. **Sec. 13.** A new section is added to chapter 69.51A
36 RCW to read as follows:

1 The liquor control board must administer and carry out the
2 provisions of this chapter relating to the production, processing, and
3 dispensing of medical cannabis products. The liquor control board may:

4 (1) Inspect the production, processing, weighing, packaging,
5 labeling, storage, and shipping of cannabis produced and processed by
6 licensees;

7 (2) Inspect and grade cannabis produced and processed by licensees;

8 (3) Approve or disapprove the facilities, including scales, of all
9 medical cannabis producers and medical cannabis processors;

10 (4) Investigate all complaints of fraud in the operation of any
11 medical cannabis producer, medical cannabis processor, production
12 facility, or processing facility;

13 (5) Examine, inspect, and audit, during ordinary business hours,
14 any medical cannabis dispensary, medical cannabis producer, or medical
15 cannabis processor, including all production facilities, processing
16 facilities, and all cannabis therein and examine, inspect, audit, or
17 record all books, documents, and records;

18 (6) Administer oaths and issue subpoenas to compel the attendance
19 of witnesses, or the production of books, documents, and records
20 anywhere in the state pursuant to a hearing relative to the purposes of
21 this chapter. Witnesses are entitled to fees for attendance and
22 travel, as provided in chapter 2.40 RCW; and

23 (7) Enforce and carry out the provisions of this chapter.

24 NEW SECTION. **Sec. 14.** A new section is added to chapter 69.51A
25 RCW to read as follows:

26 The names and addresses of the holders of medical cannabis producer
27 and medical cannabis processor licenses are exempt from public
28 disclosure under chapter 42.56 RCW and may only be disclosed to
29 employees of the liquor control board for use in their professional
30 duties while working as agents of the liquor control board or to local
31 law enforcement during the course of a criminal or civil investigation
32 involving the license holder. Law enforcement and liquor control board
33 employees may not disclose information obtained under this section.

34 **Sec. 15.** RCW 69.51A.140 and 2011 c 181 s 1102 are each amended to
35 read as follows:

36 (1) Cities and towns may adopt and enforce any of the following

1 pertaining to the production, processing, or dispensing of cannabis or
2 cannabis products within their jurisdiction: Zoning requirements,
3 business licensing requirements, health and safety requirements, and
4 business taxes. Nothing in this chapter (~~(181, Laws of 2011)~~) is
5 intended to limit the authority of cities and towns to impose zoning
6 requirements or other conditions upon (~~(licensed dispensers)~~) medical
7 cannabis dispensaries, so long as such requirements do not preclude the
8 possibility of siting licensed dispensers within the jurisdiction. If
9 the jurisdiction has no commercial zones, the jurisdiction is not
10 required to adopt zoning to accommodate (~~(licensed dispensers)~~) medical
11 cannabis dispensaries.

12 (2) Counties may adopt and enforce any of the following pertaining
13 to the production, processing, or dispensing of cannabis or cannabis
14 products within their jurisdiction in locations outside of the
15 corporate limits of any city or town: Zoning requirements, business
16 licensing requirements, and health and safety requirements. Nothing in
17 this chapter (~~(181, Laws of 2011)~~) is intended to limit the authority
18 of counties to impose zoning requirements or other conditions upon
19 (~~(licensed dispensers)~~) medical cannabis dispensaries, so long as such
20 requirements do not preclude the possibility of siting (~~(licensed~~
21 ~~dispensers)~~) medical cannabis dispensaries within the jurisdiction. If
22 the jurisdiction has no commercial zones, the jurisdiction is not
23 required to adopt zoning to accommodate (~~(licensed dispensers)~~) medical
24 cannabis dispensaries.

25 NEW SECTION. Sec. 16. A new section is added to chapter 69.51A
26 RCW to read as follows:

27 (1) There is levied and collected a medical cannabis excise tax
28 equal to twenty percent of the selling price on each wholesale sale of
29 dried medical cannabis to a medical cannabis processor or medical
30 cannabis dispensary. The tax under this subsection is the obligation
31 of the medical cannabis producer.

32 (2) In the case where a person is licensed as both a medical
33 cannabis producer and as a medical cannabis processor and/or a medical
34 cannabis dispensary, a medical cannabis excise tax must be levied and
35 collected equal to ten percent of the retail selling price. The tax
36 under this subsection is the obligation of the medical cannabis
37 dispensary.

1 (3) The department of revenue must adopt rules as necessary to
2 implement this section.

3 (4) Chapter 82.32 RCW applies to the tax imposed in this section.
4 The tax due dates, reporting periods, return requirements, and
5 definitions applicable to chapter 82.04 RCW apply equally to the tax
6 imposed in this section.

7 NEW SECTION. **Sec. 17.** A new section is added to chapter 82.08 RCW
8 to read as follows:

9 (1) The tax levied by RCW 82.08.020 does not apply to sales of
10 useable cannabis or cannabis products intended for medical use that are
11 dispensed to qualifying patients or designated providers by dispensers
12 licensed under chapter 69.51A RCW.

13 (2) The department may adopt rules as necessary to carry out the
14 provisions of this section and section 18 of this act.

15 NEW SECTION. **Sec. 18.** A new section is added to chapter 82.12 RCW
16 to read as follows:

17 The provisions of this chapter do not apply to the use of useable
18 cannabis or cannabis products intended for medical use that are
19 dispensed to qualifying patients or designated providers by
20 dispensaries licensed under chapter 69.51A RCW.

21 NEW SECTION. **Sec. 19.** (1) Sections 9 through 11 of this act take
22 effect August 31, 2014.

23 (2) Section 8 of this act takes effect August 31, 2014, unless the
24 governor vetoes any part of this act.

25 NEW SECTION. **Sec. 20.** RCW 69.51A.043 (Failure to register--
26 Affirmative defense) and 2011 c 181 s 402 are each repealed.

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