

**2SHB 2136 - H AMD 399**

By Representative Condotta

ADOPTED 04/10/2015

1 Beginning on page 14, line 17, strike all of subsection (2)(g)(i)  
2 and insert the following:

3  
4 "(i) Until January 1, 2022, if marijuana excise tax collections  
5 deposited into the general fund in the prior fiscal year exceed  
6 twenty-five million dollars, then each fiscal year the legislature  
7 must appropriate an amount equal to thirty percent of all marijuana  
8 excise taxes deposited into the general fund the prior fiscal year to  
9 the treasurer for distribution to counties, cities and towns as  
10 follows:

11 (A) Thirty percent must be distributed to counties, cities and  
12 towns where licensed marijuana retailers are physically located. Each  
13 jurisdiction shall receive a share of the revenue distribution under  
14 this subsection (2)(g)(i)(A) based on the proportional share of the  
15 total revenues generated in the individual jurisdiction from the taxes  
16 collected under RCW 69.50.535, from licensed marijuana retailers  
17 physically located in each jurisdiction. For purposes of this  
18 subsection (2)(g)(i)(A), one-hundred percent of the proportional  
19 amount attributed to a retailer physically located in a city or town  
20 shall be distributed to the city or town.

21 (B) Seventy percent must be distributed to counties, cities and  
22 towns ratably on a per capita basis. Counties shall receive sixty  
23 percent of the distribution, which shall be disbursed based on each  
24 county's total proportional population, including the population  
25 within incorporated cities and towns, and cities and towns shall  
26 receive forty percent of this distribution, which shall be based on  
27 each city or town's total proportional population. Funds may only be

1 distributed to jurisdictions that do not prohibit the siting of any  
2 state licensed marijuana producer, processor or retailer.

3 (ii) Distribution amounts allocated to each county, city and town  
4 must be distributed in four installments by the last day of each  
5 fiscal quarter"

6  
7 Renumber the remaining subsections consecutively and correct any  
8 internal references accordingly.

9  
10 On page 45, line 37, after "1203." insert "(1)"

11  
12 On page 46, beginning on line 7, after "formula" strike "required  
13 under section 206(2)(g)(i) of this act." and insert "in subsection (2)  
14 of this section.

15 (2)(a) The distribution amount allocated to each county, including  
16 the portion for eligible cities within the county, is ratably based  
17 on the total amount of taxable sales of marijuana products subject  
18 to the marijuana excise tax under RCW 69.50.535 in the prior fiscal  
19 year within the county, including all taxable sales attributable to  
20 the incorporated areas within the county. Distribution amounts  
21 allocated to each county, and eligible cities within the county,  
22 must be distributed in four installments by the last day of each  
23 fiscal quarter as follows:

24 (b) Sixty percent must be distributed to each county, except where  
25 there is no eligible city with taxable sales of marijuana products  
26 in the prior fiscal year, in which case the county must receive one  
27 hundred percent of the distribution amount allocated to the county  
28 as determined in (a) of this subsection. A county in which the  
29 producing, processing, or retailing of marijuana products is  
30 prohibited in the unincorporated area of the county is not entitled  
31 to a distribution and the distribution amount must be distributed  
32 instead to the eligible cities within the county as provided in (c)  
33 of this subsection.

1 (c) After making any distribution to counties as provided in (b)  
2 of this subsection, the treasurer must distribute the remaining  
3 amount to eligible cities within the counties. The share to each  
4 eligible city within a county must be determined by a division among  
5 the eligible cities within each county ratably based on total sales,  
6 from the prior fiscal year, of all marijuana products subject to the  
7 marijuana excise tax under RCW 69.50.535 within the boundaries of  
8 each eligible city located within the county. "Eligible city" means  
9 any city or town in which sales of marijuana products are  
10 attributable to a marijuana retailer, as defined in RCW 69.50.101,  
11 located within the boundaries of the city or town.

12 (d) By September 15th of each year, the state liquor and cannabis  
13 board must provide the state treasurer the annual distribution  
14 amount, if any, for each county and city as determined in subsection  
15 (2) of this section."

16

EFFECT: Changes the local distribution allocation for distributions that start after the general fund minimum of \$25 million is reached. This change requires 30% of the total local distribution amount to be disbursed based on the proportional amount of retail sales of marijuana within the jurisdiction. The remaining 70% is disbursed based on population. Counties will receive 60% of this amount and cities will receive the remaining 40%. Specifically prohibits jurisdictions from receiving local distributions if they prohibit the siting of a marijuana business.

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