RCW 43.06.490 Cannabis agreements—Federally recognized Indian tribes—Tribal cannabis tax—Tax exemption. (1) The governor may enter into agreements with federally recognized Indian tribes concerning cannabis. Cannabis agreements may address any cannabis-related issue that involves both state and tribal interests or otherwise has an impact on tribal-state relations. Such agreements may include, but are not limited to, the following provisions and subject matter:

(a) Criminal and civil law enforcement;

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

(c) Medical and pharmaceutical research involving cannabis;

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

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

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

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

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

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

(a) Preservation of public health and safety;

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

(c) Cross-border commerce in cannabis.

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

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

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

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

(c) "Cannabis" means "cannabis," "cannabis concentrates," "cannabis-infused products," and "useable cannabis," as those terms are defined in RCW 69.50.101. [2022 c 16 s 33; 2015 c 207 s 2.]

Intent—Finding—2022 c 16: See note following RCW 69.50.101.

Intent—Finding—2025 c 58; 2015 c 207: "The legislature intends to further the government-to-government relationship between the state of Washington and federally recognized Indian tribes in the state of Washington by authorizing the governor to enter into agreements concerning the regulation of cannabis. Such agreements may include provisions pertaining to: The lawful commercial production, processing, sale, and possession of cannabis for both recreational and medical purposes; cannabis-related research activities; law enforcement, both criminal and civil; and taxation. The legislature finds that these agreements will facilitate and promote a cooperative and mutually beneficial relationship between the state and the tribes regarding matters relating to the legalization of cannabis, particularly in light of the fact that federal Indian law precludes the state from enforcing its civil regulatory laws in Indian country. Such cooperative agreements will enhance public health and safety, ensure a lawful and well-regulated cannabis market, encourage economic development, and provide fiscal benefits to both the tribes and the state." [2025 c 58 s 4002; 2015 c 207 s 1.]