

SIXTY SEVENTH DAY

House Chamber, Olympia, Thursday, March 19, 2015

The House was called to order at 9:55 a.m. by the Speaker (Representative Moeller presiding).

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

HB 2195 by Representatives Lytton, Walkinshaw, Orwall, Chandler and Fagan

AN ACT Relating to auditor's fees; and amending RCW 36.18.010.

Referred to Committee on Appropriations.

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There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the fifth order of business.

REPORTS OF STANDING COMMITTEES

SB 5015 Prime Sponsor, Senator Honeyford: Extending the dairy inspection program assessment expiration date. Reported by Committee on Agriculture & Natural Resources

March 17, 2015

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

MINORITY recommendation: Without recommendation. Signed by Representative Dunshee.

Referred to Committee on General Government & Information Technology.

March 13, 2015

2SSB 5052 Prime Sponsor, Committee on Ways & Means: Establishing the cannabis patient protection act. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. This act may be known and cited as the cannabis patient protection act.

NEW SECTION. Sec. 2. The legislature finds that since voters approved Initiative Measure No. 692 in 1998, it has been the public policy of the state to permit the medical use of marijuana. Between 1998 and the present day, there have been multiple legislative attempts to clarify what is meant by the medical use of marijuana and to ensure qualifying patients have a safe, consistent, and adequate source of marijuana for their medical needs.

The legislature further finds that qualifying patients are people with serious medical conditions and have been responsible for finding their own source of marijuana for their own personal medical use. Either by growing it themselves, designating someone to grow for them, or participating in collective gardens, patients have developed methods of access in spite of continued federal opposition to the medical use of marijuana. In a time when access itself was an issue and no safe, consistent source of marijuana was available, this unregulated system was permitted by the state to ensure some, albeit limited, access to marijuana for medical use. Also permitted were personal possession limits of fifteen plants and twenty-four ounces of useable marijuana, which was deemed to be the amount of marijuana needed for a sixty-day supply. In a time when supply was not consistent, this amount of marijuana was necessary to ensure patients would be able to address their immediate medical needs.

The legislature further finds that while possession amounts are provided in statute, these do not amount to protection from arrest and prosecution for patients. In fact, patients in compliance with state law are not provided arrest protection. They may be arrested and their only remedy is to assert an affirmative defense at trial that they are in compliance with the law and have a medical need. Too many patients using marijuana for medical purposes today do not know this; many falsely believe they cannot be arrested so long as their health care provider has authorized them for the medical use of marijuana.

The legislature further finds that in 2012 voters passed Initiative Measure No. 502 which permitted the recreational use of marijuana. For the first time in our nation's history, marijuana would be regulated, taxed, and sold for recreational consumption. Initiative Measure No. 502 provides for strict regulation on the production, processing, and distribution of marijuana. Under Initiative Measure No. 502, marijuana is trackable from seed to sale and may only be sold or grown under license. Marijuana must

be tested for impurities and purchasers of marijuana must be informed of the THC level in the marijuana. Since its passage, two hundred fifty producer/processor licenses and sixty-three retail licenses have been issued, covering the majority of the state. With the current product canopy exceeding 2.9 million square feet, and retailers in place, the state now has a system of safe, consistent, and adequate access to marijuana; the marketplace is not the same marketplace envisioned by the voters in 1998. While medical needs remain, the state is in the untenable position of having a recreational product that is tested and subject to production standards that ensure safe access for recreational users. No such standards exist for medical users and, consequently, the very people originally meant to be helped through the medical use of marijuana do not know if their product has been tested for molds, do not know where their marijuana has been grown, have no certainty in the level of THC or CBD in their products, and have no assurances that their products have been handled through quality assurance measures. It is not the public policy of the state to allow qualifying patients to only have access to products that may be endangering their health.

The legislature, therefore, intends to adopt a comprehensive act that uses the regulations in place for the recreational market to provide regulation for the medical use of marijuana. It intends to ensure that patients retain their ability to grow their own marijuana for their own medical use and it intends to ensure that patients have the ability to possess more marijuana-infused products, useable marijuana, and marijuana concentrates than what is available to a nonmedical user. It further intends that medical specific regulations be adopted as needed and under consultation of the departments of health and agriculture so that safe handling practices will be adopted and so that testing standards for medical products meet or exceed those standards in use in the recreational market.

Sec. 3. RCW 66.08.012 and 2012 c 117 s 265 are each amended to read as follows:

There shall be a board, known as the "Washington state liquor ~~(control)~~ and cannabis board," consisting of three members, to be appointed by the governor, with the consent of the senate, who shall each be paid an annual salary to be fixed by the governor in accordance with the provisions of RCW 43.03.040. The governor may, in his or her discretion, appoint one of the members as chair of the board, and a majority of the members shall constitute a quorum of the board.

Sec. 4. RCW 69.50.101 and 2014 c 192 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, definitions of terms shall be as indicated where used in this chapter:

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

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

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

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

(c) "Commission" means the pharmacy quality assurance commission.

(d) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or commission rules.

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

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

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

(2) The term does not include:

(i) a controlled substance;

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

(iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the extent conduct with respect to the substance is pursuant to the exemption; or

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

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

(g) "Department" means the department of health.

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

(i) "Dispenser" means a practitioner who dispenses.

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

(k) "Distributor" means a person who distributes.

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

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

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

(o) "Immediate precursor" means a substance:

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

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

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

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

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

(r) "Lot number" shall identify the licensee by business or trade name and Washington state unified business identifier number, and the date of harvest or processing for each lot of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product.

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

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

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

(t) "Marijuana" or "marihuana" means all parts of the plant *Cannabis*, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

(u) "Marijuana concentrates" means products consisting wholly or in part of the resin extracted from any part of the plant *Cannabis* and having a THC concentration greater than sixty percent.

(v) "Marijuana processor" means a person licensed by the state liquor (~~control~~) and cannabis board to process marijuana into marijuana concentrates, useable marijuana, and marijuana-infused products, package and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale in retail outlets, and sell marijuana concentrates, useable marijuana, and marijuana-infused products at wholesale to marijuana retailers.

(w) "Marijuana producer" means a person licensed by the state liquor (~~control~~) and cannabis board to produce and sell marijuana at wholesale to marijuana processors and other marijuana producers.

(x) "Marijuana-infused products" means products that contain marijuana or marijuana extracts, are intended for human use, and have a THC concentration greater than 0.3 percent and no greater than sixty percent. The term "marijuana-infused products" does not include either useable marijuana or marijuana concentrates.

(y) "Marijuana retailer" means a person licensed by the state liquor (~~control~~) and cannabis board to sell marijuana concentrates, useable marijuana, and marijuana-infused products in a retail outlet.

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

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

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

(3) Poppy straw and concentrate of poppy straw.

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

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

(6) Cocaine base.

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

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

(aa) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.

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

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

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

(ee) "Practitioner" means:

(1) A physician under chapter 18.71 RCW; a physician assistant under chapter 18.71A RCW; an osteopathic physician and surgeon under chapter 18.57 RCW; an osteopathic physician assistant under chapter 18.57A RCW who is licensed under RCW 18.57A.020 subject to any limitations in RCW 18.57A.040; an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010 subject to any limitations in RCW 18.53.010; a dentist under chapter 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a veterinarian under chapter 18.92 RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW who is licensed under RCW 18.36A.030 subject to any limitations in RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific investigator under this chapter, licensed, registered or otherwise permitted insofar as is consistent with those licensing laws to distribute, dispense, conduct research with

respect to or administer a controlled substance in the course of their professional practice or research in this state.

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

(3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed physician assistant or a licensed osteopathic physician assistant specifically approved to prescribe controlled substances by his or her state's medical quality assurance commission or equivalent and his or her supervising physician, an advanced registered nurse practitioner licensed to prescribe controlled substances, or a veterinarian licensed to practice veterinary medicine in any state of the United States.

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

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

(hh) "Retail outlet" means a location licensed by the state liquor (~~(control)~~) and cannabis board for the retail sale of marijuana concentrates, useable marijuana, and marijuana-infused products.

(ii) "Secretary" means the secretary of health or the secretary's designee.

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

(kk) "THC concentration" means percent of delta-9 tetrahydrocannabinol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.

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

(mm) "Useable marijuana" means dried marijuana flowers. The term "useable marijuana" does not include either marijuana-infused products or marijuana concentrates.

(nn) "Designated provider" has the meaning provided in RCW 69.51A.010.

(oo) "Qualifying patient" has the meaning provided in RCW 69.51A.010.

(pp) "CBD concentration" has the meaning provided in RCW 69.51A.010.

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

(rr) "Authorization card" has the meaning provided in RCW 69.51A.010.

Sec. 5. RCW 69.50.325 and 2014 c 192 s 2 are each amended to read as follows:

(1) There shall be a marijuana producer's license to produce marijuana for sale at wholesale to marijuana processors and other marijuana producers, regulated by the state liquor (~~(control)~~) and cannabis board and subject to annual renewal. The production, possession, delivery, distribution, and sale of marijuana in accordance with the provisions of this chapter (~~(3, Laws of 2013)~~)

and the rules adopted to implement and enforce it, by a validly licensed marijuana producer, shall not be a criminal or civil offense under Washington state law. Every marijuana producer's license shall be issued in the name of the applicant, shall specify the location at which the marijuana producer intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana producer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana producer's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana producer intends to produce marijuana.

(2) There shall be a marijuana processor's license to process, package, and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale at wholesale to marijuana processors and marijuana retailers, regulated by the state liquor (~~(control)~~) and cannabis board and subject to annual renewal. The processing, packaging, possession, delivery, distribution, and sale of marijuana, useable marijuana, marijuana-infused products, and marijuana concentrates in accordance with the provisions of this chapter (~~(3, Laws of 2013)~~) and chapter 69.51A RCW and the rules adopted to implement and enforce (~~(#)~~) these chapters, by a validly licensed marijuana processor, shall not be a criminal or civil offense under Washington state law. Every marijuana processor's license shall be issued in the name of the applicant, shall specify the location at which the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana processor's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana processor's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana processor intends to process marijuana.

(3) There shall be a marijuana retailer's license to sell marijuana concentrates, useable marijuana, and marijuana-infused products at retail in retail outlets, regulated by the state liquor (~~(control)~~) and cannabis board and subject to annual renewal. The possession, delivery, distribution, and sale of marijuana concentrates, useable marijuana, and marijuana-infused products in accordance with the provisions of this chapter (~~(3, Laws of 2013)~~) and the rules adopted to implement and enforce it, by a validly licensed marijuana retailer, shall not be a criminal or civil offense under Washington state law. Every marijuana retailer's license shall be issued in the name of the applicant, shall specify the location of the retail outlet the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana retailer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana retailer's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana retailer intends to sell marijuana concentrates, useable marijuana, and marijuana-infused products.

Sec. 6. RCW 69.50.331 and 2013 c 3 s 6 are each amended to read as follows:

(1) For the purpose of considering any application for a license to produce, process, or sell marijuana, or for the renewal of a license to produce, process, or sell marijuana, the state liquor (~~(control)~~) and cannabis board must conduct a comprehensive, fair, and impartial evaluation of the applications timely received.

(a)(i) The state liquor and cannabis board must develop a competitive, merit-based application process that includes, at a minimum, the opportunity for an applicant to demonstrate experience and qualifications in the marijuana industry. The state

liquor and cannabis board shall give preference between competing applications in the licensing process to applicants that have the following experience and qualifications:

(A) Operating or being employed by a collective garden before the passage of chapter 3, Laws of 2013 on November 6, 2012;

(B) Having applied to the state liquor and cannabis board for a marijuana retailer license prior to July 1, 2014;

(C) Having a state business license and a municipal business license, as applicable in the relevant jurisdiction; and

(D) Having a history of paying all applicable taxes and fees.

(i) Those who began operating a collective garden after November 6, 2012, will be prevented from participating in the application process created by this section until July 1, 2017, unless the applicant establishes that his or her operation was a noncommercial, nonaggregated collective garden with a static membership that operated in compliance with all provisions of RCW 69.51A.085.

(b) The state liquor and cannabis board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. For the purpose of reviewing any application for a license and for considering the denial, suspension, revocation, or renewal or denial thereof, of any license, the state liquor ~~((control))~~ and cannabis board may consider any prior criminal conduct of the applicant including an administrative violation history record with the state liquor ~~((control))~~ and cannabis board and a criminal history record information check. The state liquor ~~((control))~~ and cannabis board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The state liquor ~~((control))~~ and cannabis board shall require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to these cases. Subject to the provisions of this section, the state liquor ~~((control))~~ and cannabis board may, in its discretion, grant or deny the renewal or license applied for. Denial may be based on, without limitation, the existence of chronic illegal activity documented in objections submitted pursuant to subsections (7)(c) and (9) of this section. Authority to approve an uncontested or unopposed license may be granted by the state liquor ~~((control))~~ and cannabis board to any staff member the board designates in writing. Conditions for granting this authority shall be adopted by rule.

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

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

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

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

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

(2)(a) The state liquor ~~((control))~~ and cannabis board may, in its discretion, subject to the provisions of RCW 69.50.334, suspend or cancel any license; and all protections of the licensee from criminal or civil sanctions under state law for producing, processing, or selling marijuana, useable marijuana, or marijuana-infused products thereunder shall be suspended or terminated, as the case may be.

(b) The state liquor ~~((control))~~ and cannabis board shall immediately suspend the license of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license shall be automatic upon the state liquor ~~((control))~~ and cannabis board's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

(c) The state liquor ~~((control))~~ and cannabis board may request the appointment of administrative law judges under chapter 34.12 RCW who shall have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under rules and regulations the state liquor ~~((control))~~ and cannabis board may adopt.

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

(e) In case of disobedience of any person to comply with the order of the state liquor ~~((control))~~ and cannabis board or a subpoena issued by the state liquor ~~((control))~~ and cannabis board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, shall compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(3) Upon receipt of notice of the suspension or cancellation of a license, the licensee shall forthwith deliver up the license to the state liquor ~~((control))~~ and cannabis board. Where the license has been suspended only, the state liquor ~~((control))~~ and cannabis board shall return the license to the licensee at the expiration or termination of the period of suspension. The state liquor ~~((control))~~ and cannabis board shall notify all other licensees in the county where the subject licensee has its premises of the suspension or cancellation of the license; and no other licensee or employee of another licensee may allow or cause any marijuana, useable marijuana, or marijuana-infused products to be delivered to or for any person at the premises of the subject licensee.

(4) Every license issued under chapter 3, Laws of 2013 shall be subject to all conditions and restrictions imposed by chapter 3, Laws of 2013 or by rules adopted by the state liquor ~~((control))~~ and cannabis board to implement and enforce chapter 3, Laws of 2013. All conditions and restrictions imposed by the state liquor ~~((control))~~ and cannabis board in the issuance of an individual license shall be listed on the face of the individual license along with the trade name, address, and expiration date.

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

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

(7)(a) Before the state liquor ~~((control))~~ and cannabis board issues a new or renewed license to an applicant it shall give notice of the application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license outside the boundaries of incorporated cities or towns.

(b) The incorporated city or town through the official or employee selected by it, or the county legislative authority or the official or employee selected by it, shall have the right to file with the state liquor ~~((control))~~ and cannabis board within twenty days after the date of transmittal of the notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewed license is asked. The state liquor ~~((control))~~ and cannabis board may extend the time period for submitting written objections.

(c) The written objections shall include a statement of all facts upon which the objections are based, and in case written objections are filed, the city or town or county legislative authority may request, and the state liquor ~~((control))~~ and cannabis board may in its discretion hold, a hearing subject to the applicable provisions of Title 34 RCW. If the state liquor ~~((control))~~ and cannabis board makes an initial decision to deny a license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If a hearing is held at the request of the applicant, state liquor ~~((control))~~ and cannabis board representatives shall present and defend the state liquor ~~((control))~~ and cannabis board's initial decision to deny a license or renewal.

(d) Upon the granting of a license under this title the state liquor ~~((control))~~ and cannabis board shall send written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county legislative authority if the license is granted outside the boundaries of incorporated cities or towns.

(8) The state liquor ~~((control))~~ and cannabis board shall not issue a license for any premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.

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

Sec. 7. RCW 69.50.342 and 2013 c 3 s 9 are each amended to read as follows:

(1) For the purpose of carrying into effect the provisions of chapter 3, Laws of 2013 according to their true intent or of supplying any deficiency therein, the state liquor ~~((control))~~ and cannabis board may adopt rules not inconsistent with the spirit of chapter 3, Laws of 2013 as are deemed necessary or advisable.

Without limiting the generality of the preceding sentence, the state liquor ~~((control))~~ and cannabis board is empowered to adopt rules regarding the following:

~~((1))~~ (a) The equipment and management of retail outlets and premises where marijuana is produced or processed, and inspection of the retail outlets and premises where marijuana is produced or processed;

~~((2))~~ (b) The books and records to be created and maintained by licensees, the reports to be made thereon to the state liquor ~~((control))~~ and cannabis board, and inspection of the books and records;

~~((3))~~ (c) Methods of producing, processing, and packaging marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products; conditions of sanitation; safe handling requirements; approved pesticides and pesticide testing requirements; and standards of ingredients, quality, and identity of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products produced, processed, packaged, or sold by licensees;

~~((4))~~ (d) Security requirements for retail outlets and premises where marijuana is produced or processed, and safety protocols for licensees and their employees;

~~((5))~~ (e) Screening, hiring, training, and supervising employees of licensees;

~~((6))~~ (f) Retail outlet locations and hours of operation;

~~((7))~~ (g) Labeling requirements and restrictions on advertisement of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products for sale in retail outlets;

~~((8))~~ (h) Forms to be used for purposes of this chapter (~~(3, Laws of 2013))~~ and chapter 69.51A RCW or the rules adopted to implement and enforce ~~((#))~~ these chapters, the terms and conditions to be contained in licenses issued under this chapter (~~(3, Laws of 2013))~~ and chapter 69.51A RCW, and the qualifications for receiving a license issued under this chapter (~~(3, Laws of 2013))~~ and chapter 69.51A RCW, including a criminal history record information check. The state liquor ~~((control))~~ and cannabis board may submit any criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The state liquor ~~((control))~~ and cannabis board shall require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

~~((9))~~ (i) Application, reinstatement, and renewal fees for licenses issued under this chapter (~~(3, Laws of 2013))~~ and chapter 69.51A RCW, and fees for anything done or permitted to be done under the rules adopted to implement and enforce this chapter (~~(3, Laws of 2013))~~ and chapter 69.51A RCW;

~~((10))~~ (j) The manner of giving and serving notices required by this chapter (~~(3, Laws of 2013))~~ and chapter 69.51A RCW or rules adopted to implement or enforce ~~((#))~~ these chapters;

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

~~((12))~~ (l) Identification, seizure, confiscation, destruction, or donation to law enforcement for training purposes of all marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products produced, processed, sold, or offered for sale within this state which do not conform in all respects to the standards prescribed by this chapter (~~(3, Laws of 2013))~~ or chapter 69.51A RCW or the rules adopted to implement and enforce ~~((#))~~ PROVIDED, That nothing in chapter 3, Laws of 2013 shall be construed as authorizing the state liquor control board to seize,

~~confiscate, destroy, or donate to law enforcement marijuana, useable marijuana, or marijuana-infused products produced, processed, sold, offered for sale, or possessed in compliance with the Washington state medical use of cannabis act, chapter 69.51A RCW)) these chapters.~~

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

Sec. 8. RCW 69.50.345 and 2013 c 3 s 10 are each amended to read as follows:

The state liquor ~~((control))~~ and cannabis board, subject to the provisions of this chapter ((3, Laws of 2013)), must adopt rules ~~((by December 1, 2013,))~~ that establish the procedures and criteria necessary to implement the following:

(1) Licensing of marijuana producers, marijuana processors, and marijuana retailers, including prescribing forms and establishing application, reinstatement, and renewal fees.

(a) Application forms for marijuana producers must request the applicant to state whether the applicant intends to produce marijuana for sale by marijuana retailers holding medical marijuana endorsements and the amount of or percentage of canopy the applicant intends to commit to growing plants determined by the department under section 10 of this act to be of a THC concentration, CBD concentration, or THC to CBD ratio appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products sold to qualifying patients.

(b) The state liquor and cannabis board must reconsider and increase limits on the amount of square feet permitted to be in production on the effective date of this section and increase the percentage of production space for those marijuana producers who intend to grow plants for marijuana retailers holding medical marijuana endorsements if the marijuana producer designates the increased production space to plants determined by the department under section 10 of this act to be of a THC concentration, CBD concentration, or THC to CBD ratio appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products to be sold to qualifying patients. If current marijuana producers do not use all the increased production space, the state liquor and cannabis board may reopen the license period for new marijuana producer license applicants but only to those marijuana producers who agree to grow plants for marijuana retailers holding medical marijuana endorsements. Priority in licensing must be given to marijuana producer license applicants who have an application pending on the effective date of this section but who are not yet licensed and then to new marijuana producer license applicants. After January 1, 2017, any reconsideration of the limits on the amount of square feet permitted to be in production to meet the medical needs of qualifying patients must consider information contained in the medical marijuana authorization database established in section 21 of this act;

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

(a) Population distribution;

(b) Security and safety issues; ~~((and))~~

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

(d) The number of retail outlets holding medical marijuana endorsements necessary to meet the medical needs of qualifying patients. The state liquor and cannabis board must reconsider and increase the maximum number of retail outlets it established before the effective date of this section and allow for a new license application period and a greater number of retail outlets to be

permitted in order to accommodate the medical needs of qualifying patients and designated providers. After January 1, 2017, any reconsideration of the maximum number of retail outlets needed to meet the medical needs of qualifying patients must consider information contained in the medical marijuana authorization database established in section 21 of this act;

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

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

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

(6) In making the determinations required by ~~((subsections (3) through (5) of))~~ this section, the state liquor ~~((control))~~ and cannabis board shall take into consideration:

(a) Security and safety issues;

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

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

(7) Determining the nature, form, and capacity of all containers to be used by licensees to contain marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products, and their labeling requirements, to include but not be limited to:

(a) The business or trade name and Washington state unified business identifier number of the licensees that grew, processed, and sold the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;

(b) Lot numbers of the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;

(c) THC concentration and CBD concentration of the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;

(d) Medically and scientifically accurate information about the health and safety risks posed by marijuana use; and

(e) Language required by RCW 69.04.480;

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

(9) Establishing reasonable time, place, and manner restrictions and requirements regarding advertising of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products that are not inconsistent with the provisions of this chapter ((3, Laws of 2013)), taking into consideration:

(a) Federal laws relating to marijuana that are applicable within Washington state;

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

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

(d) Ensuring that retail outlets with medical marijuana endorsements may advertise themselves as medical retail outlets;

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

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

(12) Specifying procedures for identifying, seizing, confiscating, destroying, and donating to law enforcement for training purposes all marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products produced, processed, packaged, labeled, or offered for sale in this state that do not conform in all respects to the standards prescribed by this chapter (~~(3, Laws of 2013)~~) or the rules of the state liquor (~~(control)~~) and cannabis board.

Sec. 9. RCW 69.50.354 and 2014 c 192 s 3 are each amended to read as follows:

There may be licensed, in no greater number in each of the counties of the state than as the state liquor (~~(control)~~) and cannabis board shall deem advisable, retail outlets established for the purpose of making marijuana concentrates, useable marijuana, and marijuana-infused products available for sale to adults aged twenty-one and over. Retail sale of marijuana concentrates, useable marijuana, and marijuana-infused products in accordance with the provisions of this chapter (~~(3, Laws of 2013)~~) and the rules adopted to implement and enforce it, by a validly licensed marijuana retailer or retail outlet employee, shall not be a criminal or civil offense under Washington state law.

NEW SECTION. Sec. 10. A new section is added to chapter 69.50 RCW to read as follows:

(1) A medical marijuana endorsement to a marijuana retail license is hereby established to permit a marijuana retailer to sell marijuana for medical use to qualifying patients and designated providers.

(2) An applicant may apply for a medical marijuana endorsement concurrently with an application for a marijuana retail license.

(3) To be issued an endorsement, a marijuana retailer must:

(a) Not authorize the medical use of marijuana for qualifying patients at the retail outlet or permit health care professionals to authorize the medical use of marijuana for qualifying patients at the retail outlet;

(b) Carry marijuana concentrates and marijuana-infused products identified by the department under subsection (4) of this section;

(c) Not use labels or market marijuana concentrates, useable marijuana, or marijuana-infused products in a way that make them intentionally attractive to minors;

(d) Demonstrate the ability to enter qualifying patients and designated providers in the medical marijuana authorization database established in section 21 of this act and issue authorization cards and agree to enter qualifying patients and designated providers into the database and issue authorization cards in compliance with department standards;

(e) Keep copies of the qualifying patient's or designated provider's authorization card, or keep equivalent records as required by rule of the state liquor and cannabis board or the department of revenue to document the validity of tax exempt sales under sections 38 and 39 of this act; and

(f) Meet other requirements as adopted by rule of the department or the state liquor and cannabis board.

(4) The department, in conjunction with the state liquor and cannabis board, must adopt rules on requirements for marijuana concentrates, useable marijuana, and marijuana-infused products that may be sold to qualifying patients or designated providers at a retail outlet holding a medical marijuana endorsement. These rules must include:

(a) THC concentration, CBD concentration, or low THC, high CBD ratios appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products sold to qualifying patients or designated providers;

(b) Labeling requirements including that the labels attached to marijuana concentrates, useable marijuana, or marijuana-infused products contain THC concentration, CBD concentration, and THC to CBD ratios;

(c) Other product requirements, including any additional mold, fungus, or pesticide testing requirements, or limitations to the types of solvents that may be used in marijuana processing that the department deems necessary to address the medical needs of qualifying patients;

(d) Safe handling requirements for marijuana concentrates, useable marijuana, or marijuana-infused products; and

(e) Training requirements for employees.

(5) A marijuana retailer holding an endorsement to sell marijuana to qualifying patients or designated providers must train its employees on:

(a) Procedures regarding the recognition of valid authorizations and the use of equipment to enter qualifying patients and designated providers into the medical marijuana authorization database;

(b) Recognition of valid authorization cards; and

(c) Recognition of strains, varieties, THC concentration, CBD concentration, and THC to CBD ratios of marijuana concentrates, useable marijuana, and marijuana-infused products, available for sale when assisting qualifying patients and designated providers at the retail outlet.

NEW SECTION. Sec. 11. A new section is added to chapter 69.50 RCW to read as follows:

A marijuana retailer or a marijuana retailer holding a medical marijuana endorsement may sell products with a THC concentration of 0.3 percent or less. Marijuana retailers holding a medical marijuana endorsement may also provide these products at no cost to qualifying patients or designated providers.

Sec. 12. RCW 69.50.357 and 2014 c 192 s 4 are each amended to read as follows:

(1) Retail outlets shall sell no products or services other than marijuana concentrates, useable marijuana, marijuana-infused products, or paraphernalia intended for the storage or use of marijuana concentrates, useable marijuana, or marijuana-infused products.

(2) Licensed marijuana retailers shall not employ persons under twenty-one years of age or allow persons under twenty-one years of age to enter or remain on the premises of a retail outlet. However, qualifying patients between eighteen and twenty-one years of age with an authorization card may enter and remain on the premises of a retail outlet holding a medical marijuana

endorsement and may purchase products for their personal medical use. Qualifying patients who are under the age of eighteen with an authorization card and who accompany their designated providers may enter and remain on the premises of a retail outlet holding a medical marijuana endorsement, but may not purchase products for their personal medical use.

(3)(a) Licensed marijuana retailers must ensure that all employees are trained on the rules adopted to implement this chapter, identification of persons under the age of twenty-one, and other requirements adopted by the state liquor and cannabis board to ensure that persons under the age of twenty-one are not permitted to enter or remain on the premises of a retail outlet.

(b) Licensed marijuana retailers with a medical marijuana endorsement must ensure that all employees are trained on the subjects required by (a) of this subsection as well as identification of authorizations and authorization cards. Employees must also be trained to permit qualifying patients who hold authorization cards and are between the ages of eighteen and twenty-one to enter the premises and purchase marijuana for their personal medical use and to permit qualifying patients who are under the age of eighteen with an authorization card to enter the premises if accompanied by their designated providers.

(4) Licensed marijuana retailers shall not display any signage in a window, on a door, or on the outside of the premises of a retail outlet that is visible to the general public from a public right-of-way, other than a single sign no larger than one thousand six hundred square inches identifying the retail outlet by the licensee's business or trade name. Retail outlets that hold medical marijuana endorsements may include this information on signage.

~~((4))~~ (5) Licensed marijuana retailers shall not display marijuana concentrates, useable marijuana, or marijuana-infused products in a manner that is visible to the general public from a public right-of-way.

~~((5))~~ (6) No licensed marijuana retailer or employee of a retail outlet shall open or consume, or allow to be opened or consumed, any marijuana concentrates, useable marijuana, or marijuana-infused product on the outlet premises.

~~((6))~~ (7) The state liquor ~~((control))~~ and cannabis board shall fine a licensee one thousand dollars for each violation of any subsection of this section. Fines collected under this section must be deposited into the dedicated marijuana fund created under RCW 69.50.530.

Sec. 13. RCW 69.50.360 and 2014 c 192 s 5 are each amended to read as follows:

The following acts, when performed by a validly licensed marijuana retailer or employee of a validly licensed retail outlet in compliance with rules adopted by the state liquor ~~((control))~~ and cannabis board to implement and enforce chapter 3, Laws of 2013, shall not constitute criminal or civil offenses under Washington state law:

(1) Purchase and receipt of marijuana concentrates, useable marijuana, or marijuana-infused products that have been properly packaged and labeled from a marijuana processor validly licensed under this chapter ~~((3, Laws of 2013))~~;

(2) Possession of quantities of marijuana concentrates, useable marijuana, or marijuana-infused products that do not exceed the maximum amounts established by the state liquor ~~((control))~~ and cannabis board under RCW 69.50.345(5); and

(3) Delivery, distribution, and sale, on the premises of the retail outlet, of any combination of the following amounts of marijuana concentrates, useable marijuana, or marijuana-infused product to any person twenty-one years of age or older:

- (a) One ounce of useable marijuana;
- (b) Sixteen ounces of marijuana-infused product in solid form;

(c) Seventy-two ounces of marijuana-infused product in liquid form; or

(d) Seven grams of marijuana concentrate.

Sec. 14. RCW 69.50.4013 and 2013 c 3 s 20 are each amended to read as follows:

(1) It is unlawful for any person to possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her professional practice, or except as otherwise authorized by this chapter.

(2) Except as provided in RCW 69.50.4014, any person who violates this section is guilty of a class C felony punishable under chapter 9A.20 RCW.

(3) The possession, by a person twenty-one years of age or older, of useable marijuana or marijuana-infused products in amounts that do not exceed those set forth in RCW 69.50.360(3) is not a violation of this section, this chapter, or any other provision of Washington state law.

(4) The possession by a qualifying patient or designated provider of marijuana concentrates, useable marijuana, marijuana-infused products, or plants in accordance with chapter 69.51A RCW is not a violation of this section, this chapter, or any other provision of Washington state law.

NEW SECTION. Sec. 15. A new section is added to chapter 69.50 RCW to read as follows:

(1) Nothing in this chapter permits anyone other than a validly licensed marijuana processor to use butane or other explosive gases to extract or separate resin from marijuana or to produce or process any form of marijuana concentrates or marijuana-infused products that include marijuana concentrates not purchased from a validly licensed marijuana retailer as an ingredient. The extraction or separation of resin from marijuana, the processing of marijuana concentrates, and the processing of marijuana-infused products that include marijuana concentrates not purchased from a validly licensed marijuana retailer as an ingredient by any person other than a validly licensed marijuana processor each constitute manufacture of marijuana in violation of RCW 69.50.401. Cooking oil, butter, and other nonexplosive home cooking substances may be used by qualified patients and designated providers to make marijuana extracts for noncommercial personal medical use.

(2) Except for the use of butane, the state liquor and cannabis board may not enforce this section until it has adopted the rules required by section 28 of this act.

Sec. 16. RCW 69.51A.005 and 2011 c 181 s 102 are each amended to read as follows:

(1) The legislature finds that:

(a) There is medical evidence that some patients with terminal or debilitating medical conditions may, under their health care professional's care, benefit from the medical use of ~~((cannabis))~~ marijuana. Some of the conditions for which ~~((cannabis))~~ marijuana appears to be beneficial include, but are not limited to:

(i) Nausea, vomiting, and cachexia associated with cancer, HIV-positive status, AIDS, hepatitis C, anorexia, and their treatments;

(ii) Severe muscle spasms associated with multiple sclerosis, epilepsy, and other seizure and spasticity disorders;

(iii) Acute or chronic glaucoma;

(iv) Crohn's disease; and

(v) Some forms of intractable pain.

spasms, or spasticity, when these symptoms are unrelieved by standard treatments or medications; or

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

(7) ~~((Valid documentation))~~ (a) Until July 1, 2016, "authorization" means:

~~((a))~~ (i) A statement signed and dated by a qualifying patient's health care professional written on tamper-resistant paper, which states that, in the health care professional's professional opinion, the patient may benefit from the medical use of marijuana; and

~~((b))~~ (ii) Proof of identity such as a Washington state driver's license or identocard, as defined in RCW 46.20.035.

(b) Beginning July 1, 2016, "authorization" means a form developed by the department that is completed and signed by a qualifying patient's health care professional and printed on tamper-resistant paper.

(8) "Authorization card" means a card issued to qualifying patients and designated providers by a marijuana retailer with a medical marijuana endorsement that has entered them into the medical marijuana authorization database.

(9) "CBD concentration" means the percent of cannabidiol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of marijuana product.

(10) "Department" means the department of health.

(11) "Marijuana" has the meaning provided in RCW 69.50.101.

(12) "Marijuana concentrates" has the meaning provided in RCW 69.50.101.

(13) "Marijuana processor" has the meaning provided in RCW 69.50.101.

(14) "Marijuana producer" has the meaning provided in RCW 69.50.101.

(15) "Marijuana retailer" has the meaning provided in RCW 69.50.101.

(16) "Marijuana retailer with a medical marijuana endorsement" means a marijuana retailer that has been issued a medical marijuana endorsement by the state liquor and cannabis board pursuant to section 10 of this act.

(17) "Marijuana-infused products" has the meaning provided in RCW 69.50.101.

(18) "Medical marijuana authorization database" means the secure and confidential database established in section 21 of this act.

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

(20) "Secretary" means the secretary of the department of health.

(21) "THC concentration" has the meaning provided in RCW 69.50.101.

(22) "Useable marijuana" has the meaning provided in RCW 69.50.101.

(23) "Low THC, high CBD" means products determined by the department to have a low THC, high CBD ratio under section 10 of this act. Low THC, high CBD products must be inhalable, ingestible, or absorbable.

Sec. 18. RCW 69.51A.030 and 2011 c 181 s 301 are each amended to read as follows:

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

(a) Advising a patient about the risks and benefits of medical use of ~~((cannabis))~~ marijuana or that the patient may benefit from the medical use of ~~((cannabis))~~ marijuana; or

(b) Providing a patient or designated provider meeting the criteria established under RCW 69.51A.010~~((26))~~ with ~~((valid documentation))~~ an authorization, based upon the health care professional's assessment of the patient's medical history and current medical condition, ~~((where such use is))~~ if the health care professional has complied with this chapter and he or she determines within a professional standard of care or in the individual health care professional's medical judgment the qualifying patient may benefit from the medical use of marijuana.

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

~~((i) Completing a))~~ marijuana in accordance with this section.

~~((b) In order to authorize for the medical use of marijuana under~~ (a) of this subsection, the health care professional must:

~~((i) Have a documented relationship with the patient, as a principal care provider or a specialist, relating to the diagnosis and ongoing treatment or monitoring of the patient's terminal or debilitating medical condition;~~

~~((ii) Complete an in-person physical examination of the patient (as appropriate, based on the patient's condition and age));~~

~~((iii) Documenting))~~ (iii) Document the terminal or debilitating medical condition of the patient in the patient's medical record and that the patient may benefit from treatment of this condition or its symptoms with medical use of ~~((cannabis))~~ marijuana;

~~((iii) Informing))~~ (iv) Inform the patient of other options for treating the terminal or debilitating medical condition and documenting in the patient's medical record that the patient has received this information; ~~((and~~

~~((iv) Documenting))~~ (v) Document in the patient's medical record other measures attempted to treat the terminal or debilitating medical condition that do not involve the medical use of ~~((cannabis))~~ marijuana; and

~~((vi) Complete an authorization on forms developed by the department, in accordance with subsection (3) of this section.~~

~~((b))~~ (c) For a qualifying patient eighteen years of age or older, an authorization expires one year after its issuance. For a qualifying patient less than eighteen years of age, an authorization expires six months after its issuance. An authorization may be renewed upon completion of an in-person physical examination and compliance with the other requirements of (b) of this subsection.

(d) A health care professional shall not:

(i) Accept, solicit, or offer any form of pecuniary remuneration from or to a ~~((licensed dispenser, licensed producer, or licensed processor of cannabis products))~~ marijuana retailer, marijuana processor, or marijuana producer;

(ii) Offer a discount or any other thing of value to a qualifying patient who is a customer of, or agrees to be a customer of, a

particular (~~(licensed dispenser, licensed producer, or licensed processor of cannabis products)~~) marijuana retailer;

(iii) Examine or offer to examine a patient for purposes of diagnosing a terminal or debilitating medical condition at a location where (~~(cannabis)~~) marijuana is produced, processed, or (~~(dispensed)~~) sold;

(iv) Have a business or practice which consists (~~(solely)~~) primarily of authorizing the medical use of (~~(cannabis)~~) marijuana or authorize the medical use of marijuana at any location other than his or her practice's permanent physical location;

(v) (~~(Include any statement or reference, visual or otherwise, on the medical use of cannabis in any advertisement for his or her business or practice)~~) Except as provided in section 35 of this act, sell marijuana concentrates, marijuana-infused products, or useable marijuana to a qualifying patient or designated provider; or

(vi) Hold an economic interest in an enterprise that produces, processes, or (~~(dispenses cannabis)~~) sells marijuana if the health care professional authorizes the medical use of (~~(cannabis)~~) marijuana.

(3) (~~(A violation of any provision of subsection (2) of this section constitutes unprofessional conduct under chapter 18.130 RCW.)~~) The department shall develop the form for the health care professional to use as an authorization for qualifying patients and designated providers. The form shall include the qualifying patient's or designated provider's name, address, and date of birth; the health care professional's name, address, and license number; the amount and type of marijuana recommended for the qualifying patient; a telephone number where the authorization can be verified during normal business hours; the dates of issuance and expiration; and a statement that an authorization does not provide protection from arrest unless the qualifying patient or designated provider is also entered in the medical marijuana authorization database and holds an authorization card.

(4) Until July 1, 2016, a health care professional who, within a single calendar month, authorizes the medical use of marijuana to more than thirty patients must report the number of authorizations issued.

(5) The appropriate health professions disciplining authority may inspect or request patient records to confirm compliance with this section. The health care professional must provide access to or produce documents, records, or other items that are within his or her possession or control within twenty-one calendar days of service of a request by the health professions disciplining authority. If the twenty-one calendar day limit results in a hardship upon the health care professional, he or she may request, for good cause, an extension not to exceed thirty additional calendar days. Failure to produce the documents, records, or other items shall result in citations and fines issued consistent with RCW 18.130.230. Failure to otherwise comply with the requirements of this section shall be considered unprofessional conduct and subject to sanctions under chapter 18.130 RCW.

(6) After a health care professional authorizes a qualifying patient for the medical use of marijuana, he or she must discuss with the qualifying patient how to use marijuana and the types of products the qualifying patient should seek from a retail outlet.

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

As part of authorizing a qualifying patient or designated provider, the health care professional may include recommendations on the amount of marijuana that is likely needed by the qualifying patient for his or her medical needs and in accordance with this section.

(1) If the health care professional does not include recommendations on the qualifying patient's or designated

provider's authorization, the marijuana retailer with a medical marijuana endorsement, when adding the qualifying patient or designated provider to the medical marijuana authorization database, shall enter into the database that the qualifying patient or designated provider may purchase at a retail outlet holding a medical marijuana endorsement a combination of the following: Forty-eight ounces of marijuana-infused product in solid form; three ounces of useable marijuana; two hundred sixteen ounces of marijuana-infused product in liquid form; or twenty-one grams of marijuana concentrates. The qualifying patient or designated provider may also grow, in his or her domicile, up to six plants for the personal medical use of the qualifying patient and possess up to eight ounces of useable marijuana produced from his or her plants. These amounts shall be specified on the authorization card that is issued to the qualifying patient or designated provider.

(2) If the health care professional determines that the medical needs of a qualifying patient exceed the amounts provided for in subsection (1) of this section, the health care professional must specify on the authorization that it is recommended that the patient be allowed to grow, in his or her domicile, up to fifteen plants for the personal medical use of the patient. A patient so authorized may possess up to sixteen ounces of useable marijuana in his or her domicile. The number of plants must be entered into the medical marijuana authorization database by the marijuana retailer with a medical marijuana endorsement and specified on the authorization card that is issued to the qualifying patient or designated provider.

(3) If a qualifying patient or designated provider with an authorization from a health care professional has not been entered into the medical marijuana authorization database, he or she may not receive an authorization card and may only purchase at a retail outlet, whether it holds a medical marijuana endorsement or not, the amounts established in RCW 69.50.360. In addition the qualifying patient or the designated provider may grow, in his or her domicile, up to four plants for the personal medical use of the qualifying patient and possess up to six ounces of useable marijuana in his or her domicile.

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

(1) Health care professionals may authorize the medical use of marijuana for qualifying patients who are under the age of eighteen if:

(a) The minor's parent or guardian participates in the minor's treatment and agrees to the medical use of marijuana by the minor; and

(b) The parent or guardian acts as the designated provider for the minor and has sole control over the minor's marijuana.

(2) The minor may not grow plants or purchase marijuana-infused products, useable marijuana, or marijuana concentrates from a marijuana retailer with a medical marijuana endorsement.

(3) Both the minor and the minor's parent or guardian who is acting as the designated provider must be entered in the medical marijuana authorization database and hold an authorization card.

(4) A health care professional who authorizes the medical use of marijuana by a minor must do so as part of the course of treatment of the minor's terminal or debilitating medical condition. If authorizing a minor for the medical use of marijuana, the health care professional must:

(a) Consult with other health care providers involved in the minor's treatment, as medically indicated, before authorization or reauthorization of the medical use of marijuana; and

(b) Reexamine the minor at least once every six months or more frequently as medically indicated. The reexamination must:

(i) Determine that the minor continues to have a terminal or debilitating medical condition and that the condition benefits from the medical use of marijuana; and

(ii) Include a follow-up discussion with the minor's parent or guardian to ensure the parent or guardian continues to participate in the treatment of the minor.

NEW SECTION. Sec. 21. A new section is added to chapter 69.51A RCW to read as follows:

(1) The department must contract with an entity to create, administer, and maintain a secure and confidential medical marijuana authorization database that, beginning July 1, 2016, allows:

(a) A marijuana retailer with a medical marijuana endorsement to add a qualifying patient or designated provider and include the amount of marijuana concentrates, useable marijuana, marijuana-infused products, or plants for which the qualifying patient is authorized under section 19 of this act;

(b) Persons authorized to prescribe or dispense controlled substances to access health care information on their patients for the purpose of providing medical or pharmaceutical care for their patients;

(c) A qualifying patient or designated provider to request and receive his or her own health care information or information on any person or entity that has queried their name or information;

(d) Appropriate local, state, tribal, and federal law enforcement or prosecutorial officials who are engaged in a bona fide specific investigation of suspected marijuana-related activity that may be illegal under Washington state law to confirm the validity of the authorization card of a qualifying patient or designated provider;

(e) A marijuana retailer holding a medical marijuana endorsement to confirm the validity of the authorization card of a qualifying patient or designated provider;

(f) The department of revenue to verify tax exemptions under chapters 82.08 and 82.12 RCW;

(g) The department and the health care professional's disciplining authorities to monitor authorizations and ensure compliance with this chapter and chapter 18.130 RCW by their licensees; and

(h) Authorizations to expire six months or one year after entry into the medical marijuana authorization database, depending on whether the authorization is for a minor or an adult.

(2) A qualifying patient and his or her designated provider, if any, may be placed in the medical marijuana authorization database at a marijuana retailer with a medical marijuana endorsement. After a qualifying patient or designated provider is placed in the medical marijuana authorization database, he or she must be provided with an authorization card that contains identifiers required in subsection (3) of this section.

(3) The authorization card requirements must be developed by the department in rule and include:

(a) A randomly generated and unique identifying number;

(b) For designated providers, the unique identifying number of the qualifying patient whom the provider is assisting;

(c) A photograph of the qualifying patient's or designated provider's face taken by an employee of the marijuana retailer with a medical marijuana endorsement at the same time that the qualifying patient or designated provider is being placed in the medical marijuana authorization database in accordance with rules adopted by the department;

(d) The amount of marijuana concentrates, useable marijuana, marijuana-infused products, or plants for which the qualifying patient is authorized under section 19 of this act;

(e) The effective date and expiration date of the authorization card;

(f) The name of the health care professional who authorized the qualifying patient or designated provider; and

(g) For the authorization card, additional security features as necessary to ensure its validity.

(4) For qualifying patients who are eighteen years of age or older and their designated providers, authorization cards are valid for one year from the date the health care professional issued the authorization. For qualifying patients who are under the age of eighteen and their designated providers, authorization cards are valid for six months from the date the health care professional issued the authorization. Qualifying patients may not be reentered into the medical marijuana authorization database until they have been reexamined by a health care professional and determined to meet the definition of qualifying patient. After reexamination, a marijuana retailer with a medical marijuana endorsement must reenter the qualifying patient or designated provider into the medical marijuana authorization database and a new authorization card will then be issued in accordance with department rules.

(5) If an authorization card is lost or stolen, a marijuana retailer with a medical marijuana endorsement, in conjunction with the database administrator, may issue a new card that will be valid for six months to one year if the patient is reexamined by a health care professional and determined to meet the definition of qualifying patient and depending on whether the patient is under the age of eighteen or eighteen years of age or older as provided in subsection (4) of this section. If a reexamination is not performed, the expiration date of the replacement authorization card must be the same as the lost or stolen authorization card.

(6) The database administrator must remove qualifying patients and designated providers from the medical marijuana authorization database upon expiration of the authorization card. Qualifying patients and designated providers may request to remove themselves from the medical marijuana authorization database before expiration of an authorization card and health care professionals may request to remove qualifying patients and designated providers from the medical marijuana authorization database if the patient or provider no longer qualifies for the medical use of marijuana. The database administrator must retain database records for at least five calendar years to permit the state liquor and cannabis board and the department of revenue to verify eligibility for tax exemptions.

(7) During development of the medical marijuana authorization database, the database administrator must consult with the department, stakeholders, and persons with relevant expertise to include, but not be limited to, qualifying patients, designated providers, health care professionals, state and local law enforcement agencies, and the University of Washington computer science and engineering security and privacy research lab or a certified cyber security firm, vendor, or service.

(8) The medical marijuana authorization database must meet the following requirements:

(a) Any personally identifiable information included in the database must be nonreversible, pursuant to definitions and standards set forth by the national institute of standards and technology;

(b) Any personally identifiable information included in the database must not be susceptible to linkage by use of data external to the database;

(c) The database must incorporate current best differential privacy practices, allowing for maximum accuracy of database queries while minimizing the chances of identifying the personally identifiable information included therein; and

(d) The database must be upgradable and updated in a timely fashion to keep current with state of the art privacy and security standards and practices.

(9)(a) Personally identifiable information of qualifying patients and designated providers included in the medical marijuana authorization database is confidential and exempt from public disclosure, inspection, or copying under chapter 42.56 RCW.

(b) Information contained in the medical marijuana authorization database may be released in aggregate form, with all personally identifying information redacted, for the purpose of statistical analysis and oversight of agency performance and actions.

(c) Information contained in the medical marijuana authorization database shall not be shared with the federal government or its agents unless the particular patient or designated provider is convicted in state court for violating this chapter or chapter 69.50 RCW.

(10) The department must, in coordination with the database administrator, establish a fee that is adequate to cover the costs of administrating the medical marijuana authorization database. The marijuana retailer with a medical marijuana endorsement shall collect the fee from the qualifying patient or designated provider at the time that he or she is entered into the database and issued an authorization card. The department shall establish a schedule for marijuana retailers with a medical marijuana endorsement to remit the fees collected.

(11) If the database administrator fails to comply with this section, the department may cancel any contracts with the database administrator and contract with another database administrator to continue administration of the database. A database administrator who fails to comply with this section is subject to a fine of up to five thousand dollars in addition to any penalties established in the contract. Fines collected under this section must be deposited into the dedicated marijuana fund created under RCW 69.50.530.

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

NEW SECTION. Sec. 22. A new section is added to chapter 42.56 RCW to read as follows:

Records in the medical marijuana authorization database established in section 21 of this act containing names and other personally identifiable information of qualifying patients and designated providers are exempt from disclosure under this chapter.

NEW SECTION. Sec. 23. A new section is added to chapter 69.51A RCW to read as follows:

(1) It is unlawful for a person to knowingly or intentionally:

- (a) Access the medical marijuana authorization database for any reason not authorized under section 21 of this act;
- (b) Disclose any information received from the medical marijuana authorization database in violation of section 21 of this act including, but not limited to, qualifying patient or designated provider names, addresses, or amount of marijuana for which they are authorized;
- (c) Produce an authorization card or to tamper with an authorization card for the purpose of having it accepted by a marijuana retailer holding a medical marijuana endorsement in order to purchase marijuana as a qualifying patient or designated provider or to grow marijuana plants in accordance with this chapter;

(d) If a person is a designated provider to a qualifying patient, sell, donate, or supply marijuana produced or obtained for the qualifying patient to another person, or use the marijuana produced or obtained for the qualifying patient for the designated provider's own personal use or benefit; or

(e) If the person is a qualifying patient, sell, donate, or otherwise supply marijuana produced or obtained by the qualifying patient to another person.

(2) A person who violates this section is guilty of a class C felony and upon conviction may be imprisoned for not more than two years, fined not more than two thousand dollars, or both.

Sec. 24. RCW 69.51A.040 and 2011 c 181 s 401 are each amended to read as follows:

The medical use of ~~((cannabis))~~ marijuana in accordance with the terms and conditions of this chapter does not constitute a crime and a qualifying patient or designated provider in compliance with the terms and conditions of this chapter may not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences~~(s)~~ for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, ~~((cannabis))~~ marijuana under state law, or have real or personal property seized or forfeited for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, ~~((cannabis))~~ marijuana under state law, and investigating ~~((peace))~~ law enforcement officers and ~~((law enforcement))~~ agencies may not be held civilly liable for failure to seize ~~((cannabis))~~ marijuana in this circumstance, if:

(1)(a) The qualifying patient or designated provider has been entered into the medical marijuana authorization database and holds a valid authorization card and possesses no more than ~~((fifteen cannabis plants and:~~

- ~~((i) No more than twenty four ounces of useable cannabis;~~
- ~~((ii) No more cannabis product than what could reasonably be produced with no more than twenty four ounces of useable cannabis; or~~
- ~~((iii) A combination of useable cannabis and cannabis product that does not exceed a combined total representing possession and processing of no more than twenty four ounces of useable cannabis))~~ the amount of marijuana concentrates, useable marijuana, plants, or marijuana-infused products authorized under section 19 of this act.

~~((b))~~ If a person is both a qualifying patient and a designated provider for another qualifying patient, the person may possess no more than twice the amounts described in ~~((a) of this subsection))~~ section 19 of this act for the qualifying patient and designated provider, whether the plants, ~~((useable cannabis, and cannabis product))~~ marijuana concentrates, useable marijuana, or marijuana-infused products are possessed individually or in combination between the qualifying patient and his or her designated provider;

~~((2))~~ (b) The qualifying patient or designated provider presents his or her ~~((proof of registration with the department of health))~~ authorization card to any ~~((peace))~~ law enforcement officer who questions the patient or provider regarding his or her medical use of ~~((cannabis))~~ marijuana;

~~((3))~~ (c) The qualifying patient or designated provider keeps a copy of his or her ~~((proof of registration with the registry established in section 901 of this act))~~ authorization card and the qualifying patient or designated provider's contact information posted prominently next to any ~~((cannabis))~~ plants, (cannabis) marijuana concentrates, marijuana-infused products, or useable ~~((cannabis))~~ marijuana located at his or her residence;

~~((4))~~ (d) The investigating ~~((peace))~~ law enforcement officer does not possess evidence that:

- ~~((a))~~ (i) The designated provider has converted ~~((cannabis))~~ marijuana produced or obtained for the qualifying patient for his or her own personal use or benefit; or
- ~~((b))~~ (ii) The qualifying patient ~~((has converted cannabis produced or obtained for his or her own medical use to the~~

~~qualifying patient's personal, nonmedical use or benefit)) sold, donated, or supplied marijuana to another person; and~~

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

~~(6)) or~~

~~(2) The ((investigating peace officer has not observed evidence of any of the circumstances identified in section 901(4))) qualifying patient or designated provider participates in a cooperative as provided in section 26 of this act.~~

Sec. 25. RCW 69.51A.043 and 2011 c 181 s 402 are each amended to read as follows:

(1) A qualifying patient or designated provider who has a valid authorization from his or her health care professional, but is not ((registered with the registry established in section 901 of this act)) entered in the medical marijuana authorization database and does not have an authorization card may raise the affirmative defense set forth in subsection (2) of this section, if:

(a) The qualifying patient or designated provider presents his or her ((valid documentation to any peace)) authorization to any law enforcement officer who questions the patient or provider regarding his or her medical use of ((cannabis)) marijuana;

(b) The qualifying patient or designated provider possesses no more ((cannabis)) marijuana than the limits set forth in ((RCW 69.51A.040(1))) section 19(3) of this act;

(c) The qualifying patient or designated provider is in compliance with all other terms and conditions of this chapter;

(d) The investigating ((peace)) law enforcement officer does not have probable cause to believe that the qualifying patient or designated provider has committed a felony, or is committing a misdemeanor in the officer's presence, that does not relate to the medical use of ((cannabis)) marijuana; and

(e) No outstanding warrant for arrest exists for the qualifying patient or designated provider~~((and~~

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

(2) A qualifying patient or designated provider who is not ((registered with the registry established in section 901 of this act)) entered in the medical marijuana authorization database and does not have an authorization card, but who presents his or her ((valid documentation)) authorization to any ((peace)) law enforcement officer who questions the patient or provider regarding his or her medical use of ((cannabis)) marijuana, may assert an affirmative defense to charges of violations of state law relating to ((cannabis)) marijuana through proof at trial, by a preponderance of the evidence, that he or she otherwise meets the requirements of RCW 69.51A.040. A qualifying patient or designated provider meeting the conditions of this subsection but possessing more ((cannabis)) marijuana than the limits set forth in ((RCW 69.51A.040(1))) section 19(3) of this act may, in the investigating ((peace)) law enforcement officer's discretion, be taken into custody and booked into jail in connection with the investigation of the incident.

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

(1) Qualifying patients or designated providers may form a cooperative and share responsibility for acquiring and supplying the resources needed to produce and process marijuana only for the medical use of members of the cooperative. No more than four qualifying patients or designated providers may become members

of a cooperative under this section and all members must hold valid authorization cards.

(2) Cooperatives may not be located within one mile of a marijuana retailer. People who wish to form a cooperative must register the location with the state liquor and cannabis board and this is the only location where cooperative members may grow or process marijuana. This registration must include the names of all participating members and copies of each participant's authorization card. Only qualifying patients or designated providers registered with the state liquor and cannabis board in association with the location may participate in growing or receive useable marijuana or marijuana-infused products grown at that location. The state liquor and cannabis board must deny the registration of any cooperative if the location is within one mile of a marijuana retailer.

(3) If a qualifying patient or designated provider no longer participates in growing at the location, he or she must notify the state liquor and cannabis board within fifteen days of the date the qualifying patient or designated provider ceases participation. The state liquor and cannabis board must remove his or her name from connection to the cooperative. Additional qualifying patients or designated providers may not join the cooperative until sixty days have passed since the date on which the last qualifying patient or designated provider notifies the state liquor and cannabis board that he or she no longer participates in that cooperative.

(4) Qualifying patients or designated providers who participate in a cooperative under this section:

(a) May grow up to the total amount of plants for which each participating member is authorized on their authorization cards, up to a maximum of sixty plants. At the location, the qualifying patients or designated providers may possess the amount of useable marijuana that can be produced with the number of plants permitted under this subsection, but no more than seventy-two ounces;

(b) May only participate in one cooperative;

(c) May only grow plants in the cooperative and if he or she grows plants in the cooperative may not grow plants elsewhere;

(d) Must provide assistance in growing plants. A monetary contribution or donation is not to be considered assistance under this section. Participants must provide nonmonetary resources and labor in order to participate; and

(e) May not sell, donate, or otherwise provide marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products to a person who is not participating under this section.

(5) The location of the cooperative must be the domicile of one of the participants. Only one cooperative may be located per property tax parcel. A copy of each participant's authorization card must be kept at the location at all times.

(6) The state liquor and cannabis board may adopt rules to implement this section including:

(a) Any security requirements necessary to ensure the safety of the cooperative and to reduce the risk of diversion from the cooperative;

(b) A seed to sale traceability model that is similar to the seed to sale traceability model used by licensees that will allow the state liquor and cannabis board to track all marijuana grown in a cooperative.

(7) The state liquor and cannabis board or law enforcement may inspect a cooperative registered under this section to ensure members are in compliance with this section. The state liquor and cannabis board must adopt rules on reasonable inspection hours and reasons for inspections.

NEW SECTION. Sec. 27. A new section is added to chapter 69.51A RCW to read as follows:

(1) Notwithstanding any other provision of this chapter and even if multiple qualifying patients or designated providers reside in the same housing unit, no more than fifteen plants may be grown or located in any one housing unit other than a cooperative established pursuant to section 26 of this act.

(2) Neither the production nor processing of marijuana or marijuana-infused products pursuant to this section nor the storage or growing of plants may occur if any portion of such activity can be readily seen by normal unaided vision or readily smelled from a public place or the private property of another housing unit.

(3) Cities, towns, counties, and other municipalities may create and enforce civil penalties, including abatement procedures, for the growing or processing of marijuana and for keeping marijuana plants beyond or otherwise not in compliance with this section.

NEW SECTION. Sec. 28. A new section is added to chapter 69.51A RCW to read as follows:

(1) Once the state liquor and cannabis board adopts rules under subsection (2) of this section, qualifying patients or designated providers may only extract or separate the resin from marijuana or produce or process any form of marijuana concentrates or marijuana-infused products in accordance with those standards.

(2) The state liquor and cannabis board must adopt rules permitting qualifying patients and designated providers to extract or separate the resin from marijuana using noncombustible methods. The rules must provide the noncombustible methods permitted and any restrictions on this practice.

Sec. 29. RCW 69.51A.045 and 2011 c 181 s 405 are each amended to read as follows:

(1) A qualifying patient or designated provider in possession of ~~((cannabis))~~ plants, marijuana concentrates, useable ~~((cannabis))~~ marijuana, or ~~((cannabis))~~ marijuana-infused products exceeding the limits set forth in ~~((RCW 69.51A.040(1)))~~ this chapter but otherwise in compliance with all other terms and conditions of this chapter may establish an affirmative defense to charges of violations of state law relating to ~~((cannabis))~~ marijuana through proof at trial, by a preponderance of the evidence, that the qualifying patient's necessary medical use exceeds the amounts set forth in RCW 69.51A.040~~((4))~~.

(2) An investigating ~~((peace))~~ law enforcement officer may seize ~~((cannabis))~~ plants, marijuana concentrates, useable ~~((cannabis))~~ marijuana, or ~~((cannabis))~~ marijuana-infused products exceeding the amounts set forth in ~~((RCW 69.51A.040(1): PROVIDED, That))~~ this chapter. In the case of ~~((cannabis))~~ plants, the qualifying patient or designated provider shall be allowed to select the plants that will remain at the location. The officer and his or her law enforcement agency may not be held civilly liable for failure to seize ~~((cannabis))~~ marijuana in this circumstance.

Sec. 30. RCW 69.51A.055 and 2011 c 181 s 1105 are each amended to read as follows:

(1)(a) The arrest and prosecution protections established in RCW 69.51A.040 may not be asserted in a supervision revocation or violation hearing by a person who is supervised by a corrections agency or department, including local governments or jails, that has determined that the terms of this section are inconsistent with and contrary to his or her supervision.

(b) The affirmative defenses established in RCW 69.51A.043~~((7))~~ and 69.51A.045~~((69.51A.047, and section 407 of this act))~~ may not be asserted in a supervision revocation or violation hearing by a person who is supervised by a corrections agency or department, including local governments or jails, that

has determined that the terms of this section are inconsistent with and contrary to his or her supervision.

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

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

Sec. 31. RCW 69.51A.060 and 2011 c 181 s 501 are each amended to read as follows:

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

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

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

(4) Nothing in this chapter requires any accommodation of any on-site medical use of ~~((cannabis))~~ marijuana in any place of employment, in any school bus or on any school grounds, in any youth center, in any correctional facility, or smoking ~~((cannabis))~~ marijuana in any public place or hotel or motel. However, a school may permit a minor who meets the requirements of section 20 of this act to consume marijuana on school grounds. Such use must be in accordance with school policy relating to medication use on school grounds.

(5) Nothing in this chapter authorizes the possession or use of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products on federal property.

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

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

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

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

Sec. 32. RCW 69.51A.085 and 2011 c 181 s 403 are each amended to read as follows:

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

(a) No more than ten qualifying patients may participate in a single collective garden at any time;

(b) No person under the age of twenty-one may participate in a collective garden or receive marijuana that was produced, processed, transported, or delivered through a collective garden. A designated provider for a person who is under the age of twenty-one may participate in a collective garden on behalf of the person under the age of twenty-one;

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

~~((e))~~ (d) A collective garden may contain no more than twenty-four ounces of useable (~~(cannabis))~~ marijuana per patient up to a total of seventy-two ounces of useable (~~(cannabis))~~ marijuana;

~~((d))~~ (e) A copy of each qualifying patient's (~~valid documentation or proof of registration with the registry established in section 901 of this act~~) authorization, including a copy of the patient's proof of identity, must be available at all times on the premises of the collective garden; and

~~((e))~~ (f) No useable (~~(cannabis))~~ marijuana from the collective garden is delivered to anyone other than one of the qualifying patients participating in the collective garden.

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

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

NEW SECTION. Sec. 33. A new section is added to chapter 69.50 RCW to read as follows:

(1) The state liquor and cannabis board may conduct controlled purchase programs to determine whether:

(a) A marijuana retailer is unlawfully selling marijuana to persons under the age of twenty-one;

(b) A marijuana retailer holding a medical marijuana endorsement is selling to persons under the age of eighteen or selling to persons between the ages of eighteen and twenty-one who do not hold valid authorization cards;

(c) Until July 1, 2016, collective gardens under RCW 69.51A.085 are providing marijuana to persons under the age of twenty-one; or

(d) A cooperative organized under section 26 of this act is permitting a person under the age of twenty-one to participate.

(2) Every person under the age of twenty-one years who purchases or attempts to purchase marijuana is guilty of a violation of this chapter or chapter 69.51A RCW. This section does not apply to:

(a) Persons between the ages of eighteen and twenty-one who hold valid authorization cards and purchase marijuana at a marijuana retail outlet holding a medical marijuana endorsement;

(b) Persons between the ages of eighteen and twenty-one years who are participating in a controlled purchase program authorized by the state liquor and cannabis board under rules adopted by the

board. Violations occurring under a private, controlled purchase program authorized by the state liquor and cannabis board may not be used for criminal or administrative prosecution.

(3) A marijuana retailer who conducts an in-house controlled purchase program authorized under this section shall provide his or her employees a written description of the employer's in-house controlled purchase program. The written description must include notice of actions an employer may take as a consequence of an employee's failure to comply with company policies regarding the sale of marijuana during an in-house controlled purchase program.

(4) An in-house controlled purchase program authorized under this section shall be for the purposes of employee training and employer self-compliance checks. A marijuana retailer may not terminate an employee solely for a first-time failure to comply with company policies regarding the sale of marijuana during an in-house controlled purchase program authorized under this section.

(5) Every person between the ages of eighteen and twenty-one who is convicted of a violation of this section is guilty of a misdemeanor punishable as provided by RCW 9A.20.021, except that a minimum fine of two hundred fifty dollars shall be imposed and any sentence requiring community restitution shall require not fewer than twenty-five hours of community restitution.

Sec. 34. RCW 69.51A.100 and 2011 c 181 s 404 are each amended to read as follows:

(1) A qualifying patient may revoke his or her designation of a specific designated provider and designate a different designated provider at any time. A revocation of designation must be in writing, signed and dated, and provided to the designated provider and, if applicable, the medical marijuana authorization database administrator. The protections of this chapter cease to apply to a person who has served as a designated provider to a qualifying patient seventy-two hours after receipt of that patient's revocation of his or her designation.

(2) A person may stop serving as a designated provider to a given qualifying patient at any time by revoking that designation in writing, signed and dated, and provided to the qualifying patient and, if applicable, the medical marijuana authorization database administrator. However, that person may not begin serving as a designated provider to a different qualifying patient until fifteen days have elapsed from the date the last qualifying patient designated him or her to serve as a provider.

(3) The department may adopt rules to implement this section, including a procedure to remove the name of the designated provider from the medical marijuana authorization database upon receipt of a revocation under this section.

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

Neither this chapter nor chapter 69.50 RCW prohibits a health care professional from selling or donating topical, noningestible products that have a THC concentration of less than .3 percent to qualifying patients.

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

A medical marijuana consultant certificate is hereby established.

(1) In addition to any other authority provided by law, the secretary of the department may:

(a) Adopt rules, in accordance with chapter 34.05 RCW, necessary to implement this chapter;

(b) Establish forms and procedures necessary to administer this chapter;

(c) Approve training or education programs that meet the requirements of this section and any rules adopted to implement it;

(d) Receive criminal history record information that includes nonconviction information data for any purpose associated with initial certification or renewal of certification. The secretary shall require each applicant for initial certification to obtain a state or federal criminal history record information background check through the state patrol or the state patrol and the identification division of the federal bureau of investigation prior to the issuance of any certificate. The secretary shall specify those situations where a state background check is inadequate and an applicant must obtain an electronic fingerprint-based national background check through the state patrol and federal bureau of investigation. Situations where a background check is inadequate may include instances where an applicant has recently lived out-of-state or where the applicant has a criminal record in Washington;

(e) Establish administrative procedures, administrative requirements, and fees in accordance with RCW 43.70.250; and

(f) Maintain the official department record of all applicants and certificate holders.

(2) A training or education program approved by the secretary must include the following topics:

(a) The medical conditions that constitute terminal or debilitating conditions, and the symptoms of those conditions;

(b) Short and long-term effects of cannabinoids;

(c) Products that may benefit qualifying patients based on the patient's terminal or debilitating medical condition;

(d) Risks and benefits of various routes of administration;

(e) Safe handling and storage of useable marijuana, marijuana-infused products, and marijuana concentrates, including strategies to reduce access by minors;

(f) Demonstrated knowledge of this chapter and the rules adopted to implement it; and

(g) Other subjects deemed necessary and appropriate by the secretary to ensure medical marijuana consultant certificate holders are able to provide evidence-based and medically accurate advice on the medical use of marijuana.

(3) Medical marijuana consultant certificates are subject to annual renewals and continuing education requirements established by the secretary.

(4) The secretary shall have the power to refuse, suspend, or revoke the certificate of any medical marijuana consultant upon proof that:

(a) The certificate was procured through fraud, misrepresentation, or deceit;

(b) The certificate holder has committed acts in violation of subsection (6) of this section; or

(c) The certificate holder has violated or has permitted any employee or volunteer to violate any of the laws of this state relating to drugs or controlled substances or has been convicted of a felony.

In any case of the refusal, suspension, or revocation of a certificate by the secretary under the provisions of this chapter, appeal may be taken in accordance with chapter 34.05 RCW, the administrative procedure act.

(5) A medical marijuana consultant may provide the following services when acting as an owner, employee, or volunteer of a retail outlet licensed under RCW 69.50.354 and holding a medical marijuana endorsement under section 10 of this act:

(a) Assisting a customer with the selection of products sold at the retail outlet that may benefit the qualifying patient's terminal or debilitating medical condition;

(b) Describing the risks and benefits of products sold at the retail outlet;

(c) Describing the risks and benefits of methods of administration of products sold at the retail outlet;

(d) Advising a customer about the safe handling and storage of useable marijuana, marijuana-infused products, and marijuana concentrates, including strategies to reduce access by minors; and

(e) Providing instruction and demonstrations to customers about proper use and application of useable marijuana, marijuana-infused products, and marijuana concentrates.

(6) Nothing in this section authorizes a medical marijuana consultant to:

(a) Offer or undertake to diagnose or cure any human disease, ailment, injury, infirmity, deformity, pain, or other condition, physical or mental, real or imaginary, by use of marijuana or any other means or instrumentality; or

(b) Recommend or suggest modification or elimination of any course of treatment that does not involve the medical use of marijuana.

(7) Nothing in this section requires an owner, employee, or volunteer of a retail outlet licensed under RCW 69.50.354 and holding a medical marijuana endorsement under section 10 of this act to obtain a medical marijuana consultant certification.

(8) Nothing in this section applies to the practice of a health care profession by individuals who are licensed, certified, or registered in a profession listed in RCW 18.130.040(2) and who are performing services within their authorized scope of practice.

NEW SECTION. Sec. 37. A new section is added to chapter 69.51A RCW to read as follows:

The board of naturopathy, the board of osteopathic medicine and surgery, the medical quality assurance commission, and the nursing care quality assurance commission shall develop and approve continuing education programs related to the use of marijuana for medical purposes for the health care providers that they each regulate that are based upon practice guidelines that have been adopted by each entity.

NEW SECTION. Sec. 38. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 shall not apply to:

(a) Beginning July 1, 2016, sales of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health under section 10 of this act to be beneficial for medical use, by marijuana retailers holding medical marijuana endorsements to qualifying patients or designated providers who hold authorization cards;

(b) Beginning July 1, 2016, sales of products containing THC with a THC concentration of 0.3 percent or less to qualifying patients or designated providers who hold authorization cards, by marijuana retailers holding medical marijuana endorsements;

(c) Beginning July 1, 2016, sales of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health under section 10 of this act to have a low THC, high CBD ratio and to be beneficial for medical use, by marijuana retailers, regardless of whether the buyer is a qualifying patient or designated provider who holds an authorization card;

(d) Beginning July 1, 2016, sales of products containing THC with a THC concentration of 0.3 percent or less by health care professionals under section 35 of this act; or

(e) From the effective date of this section until July 1, 2016, sales of marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less, by collective gardens under RCW 69.51A.085 to qualifying patients or designated

providers who hold an authorization card, if such sales are in compliance with chapter 69.51A RCW.

(2) Each seller making exempt sales under subsection (1) of this section must maintain information establishing the purchaser's eligibility for the exemption in the form and manner required by the department.

(3) Nothing in subsection (1)(a), (b), and (e) of this section applies to transactions with qualifying patients and designated providers who have not been entered in the medical marijuana authorization database and do not have an authorization card.

(4) For the purposes of this section:

(a) The terms "THC concentration," "marijuana," "marijuana concentrates," "useable marijuana," "marijuana retailer," and "marijuana-infused products" have the meaning provided in RCW 69.50.101 and the terms "qualifying patients," "designated providers," and "authorization card" have the meaning provided in RCW 69.51A.010; and

(b) "Products containing THC with a THC concentration of 0.3 percent or less" means all products containing THC with a THC concentration not exceeding 0.3 percent and that, when used as intended, are inhalable, ingestible, or absorbable.

NEW SECTION. Sec. 39. A new section is added to chapter 82.12 RCW to read as follows:

(1) From the effective date of this section until July 1, 2016, the provisions of this chapter shall not apply to the use of marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less, by a collective garden under RCW 69.51A.085 and the qualifying patients or designated providers participating in the collective garden if such use is in compliance with chapter 69.51A RCW.

(2) Beginning July 1, 2016, the provisions of this chapter shall not apply to:

(a) The use of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health under section 10 of this act to be beneficial for medical use of marijuana, by qualifying patients or designated providers who hold authorization cards and have purchased such products from a marijuana retailer holding a medical marijuana endorsement.

(b) The use of products containing THC with a THC concentration of 0.3 percent or less by qualifying patients or designated providers who hold authorization cards and have purchased such products from a marijuana retailer holding a medical marijuana endorsement.

(c)(i) Marijuana retailers holding a medical marijuana endorsement with respect to:

(A) Marijuana concentrates, useable marijuana, or marijuana-infused products; or

(B) Products containing THC with a THC concentration of 0.3 percent or less;

(ii) The exemption in this subsection (2)(c) applies only if such products are provided at no charge to a qualifying patient or designated provider who holds an authorization card. Each such retailer providing such products at no charge must maintain information establishing eligibility for this exemption in the form and manner required by the department.

(d) The use of marijuana concentrates, useable marijuana, or marijuana-infused products, identified by the department of health under section 10 of this act to have a low THC, high CBD ratio and to be beneficial for medical use, purchased from marijuana retailers.

(e) Health care professionals with respect to the use of products containing THC with a THC concentration of 0.3 percent or less donated by the health care professionals under section 35 of this

act. Each health care professional providing such products at no charge must maintain information establishing eligibility for this exemption in the form and manner required by the department.

(f) The use of products containing THC with a THC concentration of 0.3 percent or less by qualifying patients when purchased from or provided at no charge by a health care professional under section 35 of this act.

(g) The use of marijuana, marijuana concentrates, useable marijuana, marijuana-infused products, or products containing THC with a THC concentration of 0.3 percent or less, by a cooperative and its members, when produced by the cooperative.

(3) Nothing in subsection (2)(a), (b), (c), and (g) of this section applies to use related to qualifying patients and designated providers who have not been entered in the medical marijuana authorization database and do not have an authorization card.

(4) For the purposes of this section:

(a) The terms "THC concentration," "marijuana," "marijuana concentrates," "useable marijuana," "marijuana retailer," and "marijuana-infused products" have the meaning provided in RCW 69.50.101 and the terms "qualifying patients," "designated providers," and "authorization card" have the meaning provided in RCW 69.51A.010;

(b) "Cooperative" means a cooperative authorized by and operating in compliance with section 26 of this act and any rules adopted by the state liquor and cannabis board under section 26 of this act; and

(c) "Products containing THC with a THC concentration of 0.3 percent or less" has the same meaning as in section 38 of this act.

NEW SECTION. Sec. 40. A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to any cooperative in respect to growing marijuana, or manufacturing marijuana concentrates, useable marijuana, or marijuana-infused products, as those terms are defined in RCW 69.50.101.

(2) For purposes of this section, "cooperative" has the same meaning provided in section 39 of this act.

NEW SECTION. Sec. 41. (1) The legislature finds marijuana use for qualifying patients is a valid and necessary option health care professionals may recommend for their patients. The legislature further finds that although there is a distinction between recreational and medical use of marijuana, the changing environment for recreational marijuana use in Washington will also affect qualifying patients. The legislature further finds that while recognizing the difference between recreational and medical use of marijuana, it is imperative to develop a single, comprehensive regulatory scheme for marijuana use in the state. Acknowledging that the implementation of this act may result in changes to how qualifying patients access marijuana for their medical use, the legislature intends to ease the transition towards a regulated market and provide a statutory means for a safe, consistent, and secure source of marijuana for qualifying patients. Therefore, the legislature intends to provide qualifying patients a retail sales and use tax exemption on purchases of marijuana for medical use when authorized by a health care professional and when purchased at a marijuana retailer with a medical marijuana endorsement. Because marijuana is neither a prescription medicine nor an over-the-counter medication, this policy should in no way be construed as precedence for changes in the treatment of prescription medications or over-the-counter medications.

(2)(a) This section is the tax preference performance statement for the retail sales and use tax exemptions for marijuana concentrates, useable marijuana, and marijuana-infused products

purchased by qualifying patients provided in sections 38 and 39 of this act. The performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(b) The legislature categorizes the tax preference as one intended to accomplish the general purposes indicated in RCW 82.32.808(2)(e).

(c) It is the legislature's specific public policy objective to provide qualifying patients a retail sales and use tax exemption on purchases of marijuana concentrates, useable marijuana, and marijuana-infused products for medical use when qualifying patients hold a valid authorization card. It is also the legislature's specific public policy objective to provide a retail sales and use tax exemption for all people who purchase low THC, high CBD products. These products are more likely to be beneficial to those who use marijuana for medical use and are not likely to appeal to nonmedical users.

(d) To measure the effectiveness of the exemption provided in sections 38 and 39 of this act in achieving the specific public policy objectives described in (c) of this subsection, the joint legislative audit and review committee must evaluate the actual fiscal impact of the sales and use tax exemption compared to the estimated impact in the fiscal note for this act.

(3) For the purposes of this section, the terms "authorization card," "marijuana retailer," "qualifying patient," "low THC, high CBD," and "health care professional" have the meaning provided in RCW 69.51A.010 and the terms "marijuana concentrates," "useable marijuana," "marijuana retailer," and "marijuana-infused products" have the meaning provided in RCW 69.50.101.

NEW SECTION. Sec. 42. (1) The department of health must develop recommendations on establishing medical marijuana specialty clinics that would allow for the authorization and dispensing of marijuana to patients of health care professionals who work on-site of the clinic and who are certified by the department of health in the medical use of marijuana.

(2) Recommendations must be reported to the chairs of the health care committees of both the senate and house of representatives by December 1, 2015.

NEW SECTION. Sec. 43. All references to the Washington state liquor control board must be construed as referring to the Washington state liquor and cannabis board. The code reviser must prepare legislation for the 2016 legislative session changing all references in the Revised Code of Washington from the Washington state liquor control board to the Washington state liquor and cannabis board.

NEW SECTION. Sec. 44. The following acts or parts of acts are each repealed:

(1)RCW 69.51A.020 (Construction of chapter) and 2011 c 181 s 103 & 1999 c 2 s 3;

(2)RCW 69.51A.025 (Construction of chapter—Compliance with RCW 69.51A.040) and 2011 c 181 s 413;

(3)RCW 69.51A.047 (Failure to register or present valid documentation—Affirmative defense) and 2011 c 181 s 406;

(4)RCW 69.51A.070 (Addition of medical conditions) and 2007 c 371 s 7 & 1999 c 2 s 9;

(5)RCW 69.51A.090 (Applicability of valid documentation definition) and 2010 c 284 s 5;

(6)RCW 69.51A.140 (Counties, cities, towns—Authority to adopt and enforce requirements) and 2011 c 181 s 1102; and

(7)RCW 69.51A.200 (Evaluation) and 2011 c 181 s 1001.

NEW SECTION. Sec. 45. RCW 69.51A.085 (Collective gardens) and 2015 c ... s 32 (section 32 of this act) and 2011 c 181 s 403 are each repealed.

NEW SECTION. Sec. 46. Sections 38 and 39 of this act take effect October 1, 2015.

NEW SECTION. Sec. 47. Sections 12, 19, 20, 23 through 26, 31, 35, 40, and 45 of this act take effect July 1, 2016.

NEW SECTION. Sec. 48. Sections 21, 22, 32, and 33 of this act are necessary for the immediate preservation of the public health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

NEW SECTION. Sec. 49. This act takes effect on the dates provided in sections 46 through 48 of this act if House Bill No. 2136, or any subsequent version of House Bill No. 2136, is enacted into law by October 1, 2015."

Correct the title.

Signed by Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Clibborn; Jinkins; Johnson; Moeller; Robinson and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representatives Harris, Assistant Ranking Minority Member; Caldier and Short.

MINORITY recommendation: Without recommendation. Signed by Representative DeBolt.

Passed to Committee on Rules for second reading.

March 17, 2015

SB 5088

Prime Sponsor, Senator Pearson: Concerning a geological hazards assessment. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Dunshee; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

Passed to Committee on Rules for second reading.

March 17, 2015

SB 5146

Prime Sponsor, Senator Bailey: Concerning quality assurance standards for medicaid purchasing. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 74.09 RCW to read as follows:

(1) The authority shall select an accrediting organization that develops and manages health care measures that assess the quality of care and services that managed care clients receive. In selecting an organization, the authority shall consider the accreditation standards of the national committee for quality assurance. The authority shall require that:

(a) All medicaid managed care contractors under contract with the authority as of the effective date of this section are accredited by the organization by December 1, 2015; and

(b) All new managed care entrants are accredited by the organization within eighteen months from the contract start date.

(2) Medicaid purchasing must support standards developed by the selected organization."

Correct the title.

Signed by Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier; Clibborn; DeBolt; Jinkins; Johnson; Moeller; Robinson; Rodne; Short; Tharinger and Van De Wege.

Passed to Committee on Rules for second reading.

March 17, 2015
SSB 5165 Prime Sponsor, Committee on Health Care: Authorizing palliative care in conjunction with treatment or management of serious or life-threatening illness. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier; Clibborn; DeBolt; Jinkins; Johnson; Moeller; Robinson; Rodne; Short; Tharinger and Van De Wege.

Passed to Committee on Rules for second reading.

March 17, 2015
SSB 5166 Prime Sponsor, Committee on Ways & Means: Concerning the management of forage fish resources. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) Subject to the availability of amounts appropriated for this specific purpose, the department of natural resources and the department of fish and wildlife must collaborate to conduct a survey of the location of surf smelt and sand lance spawning grounds throughout Puget Sound, including the Strait of Juan de Fuca. To the extent available, the departments of natural resources and fish and wildlife must conduct the surveys using crews of the veterans conservation corps created in RCW 43.60A.150.

(2) The results from the survey required under this section must be used by the department of natural resources and the department of fish and wildlife to expand knowledge of

spawning habitat areas. The survey results must be made accessible to the public.

(3) The survey required under this section must be completed by June 30, 2017.

NEW SECTION. Sec. 2. (1) Subject to the availability of amounts appropriated for this specific purpose, the department of fish and wildlife must conduct a mid-water trawl survey at various depths throughout Puget Sound to evaluate the prevalence of adults of all species of forage fish. The department must integrate the results of the survey into existing Puget Sound ecosystem assessments to assist the department of fish and wildlife in the management and conservation of forage fish species and the species that prey upon them.

(2) The department of fish and wildlife must complete the survey required under this section by June 30, 2017.

NEW SECTION. Sec. 3. The legislature intends for the department of natural resources and the department of fish and wildlife to complete the survey required under section 1 of this act with funds specifically appropriated from the state's capital budget for the 2015-2017 biennium.

NEW SECTION. Sec. 4. This act expires July 1, 2018."

Correct the title.

Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Dunshee; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

Referred to Committee on Capital Budget.

March 17, 2015
SB 5180 Prime Sponsor, Senator Benton: Modernizing life insurance reserve requirements. Reported by Committee on Business & Financial Services

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Ryu, Vice Chair; Vick, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Blake; Hunt, G.; Hurst; Kochmar; McCabe; Santos and Stanford.

Referred to Committee on Appropriations.

March 17, 2015
SB 5182 Prime Sponsor, Senator Dammeier: Granting fire protection districts and regional fire protection service authorities biennial budget authority. Reported by Committee on Local Government

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 52.16.030 and 1989 c 63 s 25 are each amended to read as follows:

(1) Annually after the county board or boards of equalization of the county or counties in which the district is located have equalized the assessments for general tax purposes in that year, the secretary of the district shall prepare and certify a budget of the requirements of each district fund, and deliver it to the

county legislative authority or authorities of the county or counties in which the district is located in ample time for the tax levies to be made for district purposes.

(2) In lieu of adopting an annual budget, a fire protection district may adopt a biennial budget with a mid-biennium review and modification for the second year of the biennium.

NEW SECTION. Sec. 2. A new section is added to chapter 52.26 RCW to read as follows:

A regional fire protection service authority may, in lieu of adopting an annual budget, adopt a biennial budget with a mid-biennium review and modification for the second year of the biennium."

Correct the title.

Signed by Representatives Takko, Chair; Gregerson, Vice Chair; Taylor, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; McBride; McCaslin; Peterson and Pike.

Passed to Committee on Rules for second reading.

March 17, 2015
SB 5204 Prime Sponsor, Senator Parlette: Providing an exemption from hydraulic project permit fees for certain emergency permits. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Dunshee; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

Passed to Committee on Rules for second reading.

March 17, 2015
SB 5207 Prime Sponsor, Senator Liias: Concerning office hours for registered tow truck operators. Reported by Committee on Labor

MAJORITY recommendation: Do pass. Signed by Representatives Sells, Chair; Gregerson, Vice Chair; Manweller, Ranking Minority Member; McCabe and Ormsby.

Passed to Committee on Rules for second reading.

March 17, 2015
SSB 5234 Prime Sponsor, Committee on Commerce & Labor: Regarding miniature hobby boilers. Reported by Committee on Labor

MAJORITY recommendation: Do pass. Signed by Representatives Sells, Chair; Gregerson, Vice Chair; Manweller, Ranking Minority Member; McCabe and Ormsby.

Passed to Committee on Rules for second reading.

March 17, 2015
SSB 5268 Prime Sponsor, Committee on Health Care: Concerning refilling eye drop prescriptions. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chair; Riccelli, Vice Chair; Schmick,

Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier; Clibborn; DeBolt; Jinkins; Johnson; Moeller; Robinson; Rodne; Short; Tharinger and Van De Wege.

Passed to Committee on Rules for second reading.

March 17, 2015
SB 5464 Prime Sponsor, Senator Warnick: Concerning unlawfully engaging in fishing guide activity. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Dunshee; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

Passed to Committee on Rules for second reading.

March 17, 2015
ESSB 5470 Prime Sponsor, Committee on Agriculture, Water & Rural Economic Development: Concerning municipal procurement of water services. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Representatives Takko, Chair; Gregerson, Vice Chair; Taylor, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; McBride; McCaslin; Peterson and Pike.

Passed to Committee on Rules for second reading.

March 17, 2015
SB 5603 Prime Sponsor, Senator Warnick: Changing cottage food operation provisions. Reported by Committee on Agriculture & Natural Resources

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 69.22.050 and 2011 c 281 s 5 are each amended to read as follows:

(1) The annual gross sales of cottage food products may not exceed ((an annual amount set by the department)) twenty-five thousand dollars. The determination of the maximum annual gross sales must be computed on the basis of the amount of gross sales within or at a particular domestic residence and may not be computed on a per person basis within or at an individual domestic residence.

(2) If gross sales exceed the maximum allowable annual gross sales amount, the cottage food operation must either obtain a food processing plant license under chapter 69.07 RCW or cease operations.

(3) A cottage food operation exceeding the maximum allowable annual gross sales amount is not entitled to a full or partial refund of any fees paid under RCW 69.22.030 or 69.22.040.

(4) ((The maximum annual gross sales amount must be established in rule by the department consistent with this subsection. The amount must be set at fifteen thousand dollars until December 31, 2012. Beginning January 1, 2013, the department must increase the fifteen thousand dollar annual

gross sales limit biennially to reflect inflation. The department may determine inflation-based increases in any matter it deems most efficient.

(5)) The director may request in writing documentation to verify the annual gross sales figure."

Correct the title.

Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Dunshee; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

Passed to Committee on Rules for second reading.

SB 5717 Prime Sponsor, Senator Angel: Amending the insurer holding company act. Reported by Committee on Business & Financial Services

March 17, 2015

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chair; Ryu, Vice Chair; Vick, Ranking Minority Member; Parker, Assistant Ranking Minority Member; Blake; Hunt, G.; Hurst; Kochmar; McCabe; Santos and Stanford.

Referred to Committee on Appropriations.

SB 5881 Prime Sponsor, Senator Pearson: Providing a group fishing permit for certain programs for at-risk youth. Reported by Committee on Agriculture & Natural Resources

March 17, 2015

MAJORITY recommendation: Do pass. Signed by Representatives Blake, Chair; Lytton, Vice Chair; Buys,

Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chandler; Dunshee; Hurst; Kretz; Orcutt; Pettigrew; Schmick; Stanford and Van De Wege.

Passed to Committee on Rules for second reading.

SB 5974 Prime Sponsor, Senator Benton: Requiring the insurance commissioner to review barriers to offering supplemental coverage options to disabled veterans and their dependents. Reported by Committee on Health Care & Wellness

March 17, 2015

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier; Clibborn; DeBolt; Jinkins; Johnson; Moeller; Robinson; Rodne; Short; Tharinger and Van De Wege.

Passed to Committee on Rules for second reading.

There being no objection, the bills listed on the day's committee reports under the fifth order of business were referred to the committees so designated.

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 9:55 a.m., March 20, 2015, the 68th Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

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5881 Committee Report 1

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