NINETY SECOND DAY

House Chamber, Olympia, Monday, April 11, 2011

Thomas Hoemann, Secretary

The House was called to order at 10:00 a.m. by the Speaker (Representative Moeller presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Adam Carney and Lucas Bauer. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Pastor Scott Collins, Bethel Church, Chehalis, Washington.

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

MESSAGES FROM THE SENATE

April 9, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SENATE BILL 5907 and the same is herewith transmitted.

Thomas Hoemann, Secretary

April 8, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE SENATE BILL 5844 and the same is herewith transmitted.

Thomas Hoemann, Secretary

April 9, 2011

MR. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE HOUSE BILL 1421
SUBSTITUTE HOUSE BILL 1854

and the same are herewith transmitted.

Thomas Hoemann, Secretary

April 9, 2011

MR. SPEAKER:

The Senate has passed:

HOUSE BILL 1225
HOUSE BILL 1358
SUBSTITUTE HOUSE BILL 1384
SUBSTITUTE HOUSE BILL 1483
SUBSTITUTE HOUSE BILL 1897

and the same are herewith transmitted.

Thomas Hoemann, Secretary

April 9, 2011

MR. SPEAKER:

The President has signed:

SENATE BILL 5083
SENATE BILL 5584

and the same are herewith transmitted.

INTRODUCTIONS AND FIRST READING

SSJR 8215 by Senate Committee on Ways & Means (originally sponsored by Senators Kilmer, Parlette, Murray, Zarelli, Brown, Hobbs, Fraser, Tom, Sheldon, Honeyford and Hewitt)

Concerning the debt reduction act of 2011.

Referred to Committee on Capital Budget.

There being no objection, the bill listed on the day's introduction sheet under the fourth order of business was referred to the committee so designated.

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

SECOND READING

SENATE BILL NO. 5367, by Senators Kastama, Chase, Holmquist Newbry, Shin and Kilmer

Authorizing the economic development finance authority to continue issuing bonds.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Ormsby and Orcutt spoke in favor of the passage of the bill.

MOTION

On motion of Representative Ross, Representatives Dahlquist and Smith were excused**.**

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Senate Bill No. 5367.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5367, and the bill passed the House by the following vote: Yeas, 95; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove,

Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representatives Dahlquist and Smith.

SENATE BILL NO. 5367, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1965, by Representatives Kagi, Jinkins, Frockt and Kenney

Concerning adverse childhood experiences.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1965 was substituted for House Bill No. 1965 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1965 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kagi and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1965.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1965, and the bill passed the House by the following vote: Yeas, 63; Nays, 33; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Armstrong, Asay, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Klippert, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rodne, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Bailey, Buys, Chandler, Condotta, Crouse, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Johnson, Kretz, Kristiansen, McCune, Orcutt, Overstreet, Parker, Pearson, Rivers, Ross, Schmick, Shea, Short, Smith, Taylor, Warnick, Wilcox and Zeiger.

Excused: Representative Dahlquist.

SECOND SUBSTITUTE HOUSE BILL NO. 1965, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Second Substitute House Bill No. 1965.

Representative Klippert, 8th District

SECOND READING

SUBSTITUTE SENATE BILL NO. 5072, by Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Hatfield, Shin and Haugen)

Authorizing the department of agriculture to accept and expend gifts.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Agriculture & Natural Resources was adopted. (For Committee amendment, see Journal, Day 66, March 16, 2011).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Blake and Chandler spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5072, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5072, as amended by the House, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Dahlquist.

SUBSTITUTE SENATE BILL NO. 5072, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5156, by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Kohl-Welles, King, Keiser, Delvin and Conway)

Concerning airport lounges under the alcohol beverage control act.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on State Government & Tribal Affairs was adopted. (For Committee amendment, see Journal, Day 71, March 21, 2011).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Hunt and Taylor spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5156, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5156, as amended by the House, and the bill passed the House by the following vote: Yeas, 91; Nays, 5; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Klippert, McCune, Pearson, Upthegrove and Van De Wege.

Excused: Representative Dahlquist.

SUBSTITUTE SENATE BILL NO. 5156, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5202, by Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala and Hargrove)

Regarding sexually violent predators.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Public Safety & Emergency Preparedness was adopted. (For Committee amendment, see Journal, Day 72, March 22, 2011).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Hurst and Pearson spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5202, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5202, as amended by the House, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Dahlquist.

SUBSTITUTE SENATE BILL NO. 5202, as amended by the House, having received the necessary constitutional majority, was declared passed.

SENATE BILL NO. 5480, by Senators Conway and Keiser

Concerning submission of certain information by physicians and physician assistants at the time of license renewal.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Senate Bill No. 5480.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5480, and the bill passed the House by the following vote: Yeas, 91; Nays, 5; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor,

Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Crouse, Hargrove, Klippert, Overstreet and Rivers.

Excused: Representative Dahlquist.

SENATE BILL NO. 5480, having received the necessary constitutional majority, was declared passed.

SECOND SUBSTITUTE SENATE BILL NO. 5427, by Senate Committee on Ways & Means (originally sponsored by Senator McAuliffe)

Regarding an assessment of students in state-funded full-day kindergarten classrooms.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Education was adopted. (For Committee amendment, see Journal, Day 74, March 24, 2011).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representative Kagi spoke in favor of the passage of the bill.

Representative Dammeier spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Second Substitute Senate Bill No. 5427, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 5427, as amended by the House, and the bill passed the House by the following vote: Yeas, 57; Nays, 39; Absent, 0; Excused, 1.

Voting yea: Representatives Anderson, Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Warnick, Wilcox and Zeiger.

Excused: Representative Dahlquist.

SECOND SUBSTITUTE SENATE BILL NO. 5427, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5167, by Senate Committee on Ways & Means (originally sponsored by Senators Schoesler, Murray, Honeyford, Pridemore, Kilmer and Tom)

Concerning tax statute clarifications and technical corrections. Revised for 1st Substitute: Concerning tax statute clarifications and technical corrections, including for the purposes of local rental car taxes.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hasegawa and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5167.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5167, and the bill passed the House by the following vote: Yeas, 95; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representative Santos.

Excused: Representative Dahlquist.

SUBSTITUTE SENATE BILL NO. 5167, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5708, by Senate Committee on Health & Long-Term Care (originally sponsored by Senator Keiser)

Creating flexibility in the delivery of long-term care services.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Health Care & Wellness was adopted. (For Committee amendment, see Journal, Day 66, March 16, 2011).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5708, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5708, as amended by the House, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Excused: Representative Dahlquist.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5708, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5073, by Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Delvin, Keiser, Regala, Pflug, Murray, Tom, Kline, McAuliffe and Chase)

Concerning the medical use of cannabis.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Ways & Means was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 81, March 31, 2011).

With the consent of the house, amendments (550), (551), (552), (635), (638), (630) and (608) to the committee amendment were withdrawn.

Representative Bailey moved the adoption of amendment (622) to the committee amendment:

On page 7, line 15 of the striking amendment, after "(a)(i)" insert "(A) Is eighteen years of age or older;

(B) Is less than eighteen years of age and has received written consent from a person able to provide informed consent for a patient who is under the age of majority according to the order of priority in RCW 7.70.065; or

(C) Is an emancipated minor under chapter 13.64 RCW; and

(ii)"

Renumber the remaining subsections consecutively.

Representative Bailey and Bailey (again) spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (622) was not adopted.

Representative McCune moved the adoption of amendment (631) to the committee amendment.

On page 7, line 20 of the striking amendment, after "advised" insert "in writing"

On page 28, line 7 of the striking amendment, after "must" insert "provide written notice to the qualifying patient or designated provider of the risks and benefits of the medical use of cannabis and must"

Representative McCune spoke in favor of the adoption of the amendment to the committee amendment.

Representative Jinkins spoke against the adoption of the amendment to the committee amendment.

Amendment (631) was not adopted.

Representative Nealey moved the adoption of amendment (641) to the committee amendment.

On page 8, line 15 of the striking amendment, after "(f)" strike all material through "(g)" on line 19 and insert "((Diseases, including anorexia, which result in nausea, vomiting, wasting, appetite loss, cramping, seizures, muscle spasms, or spasticity, when these symptoms are unrelieved by standard treatments or medications; or (g)))"

Representatives Nealey and Shea spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (641) was not adopted.

Representative Cody moved the adoption of amendment (627) to the committee amendment.

On page 10, line 9 of the amendment, after "has a" strike "documented relationship with the patient" and insert "newly initiated or existing documented relationship with the patient, as a primary care provider or a specialist,"

On page 12, line 12 of the amendment, after "consequences" insert ","

On page 13, line 9 of the amendment, after "benefit;" strike "and"

On page 13, line 12 of the amendment, after "period" insert "; and

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

On page 13, line 29 of the amendment, after "cannabis;" strike "and"

On page 13, line 31 of the amendment, after "provider" insert "; and

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

On page 18, line 11 of the amendment, after "**413.**" strike "(1)"

On page 18, beginning on line 17 of the amendment, strike all of subsection (2)

Beginning on page 18, line 26 of the amendment, after "(1)" strike all material through "premises." on page 19, line 3 and insert "It shall be a ((~~misdemeanor~~)) class 3 civil infraction to use or display medical ((~~marijuana~~)) cannabis in a manner or place which is open to the view of the general public."

On page 25, line 10 of the amendment, after "order." insert "A licensed producer may also sell or deliver cannabis to the University

of Washington or Washington State University for research purposes, as identified in section 1002 of this act."

On page 25, line 14 of the amendment, after "laboratory" insert ","

On page 25, line 15 of the amendment, after "order." insert "A licensed processor of cannabis products may also sell or deliver cannabis to the University of Washington or Washington State University for research purposes, as identified in section 1002 of this act."

Beginning on page 26, line 37 of the amendment, after "(2)(a)" strike all material through "process." on page 27, line 13 and insert "The secretary shall establish a maximum number of licensed dispensers that may operate in each county. Prior to January 1, 2016, the maximum number of licensed dispensers shall be based upon a ratio of one licensed dispenser for every twenty thousand persons in a county. On or after January 1, 2016, the secretary may adopt rules to adjust the method of calculating the maximum number of dispensers to consider additional factors, such as the number of enrollees in the registry established in section 901 of this act and the secretary's experience in administering the program. The secretary may not issue more licenses than the maximum number of licenses established under this section.

(b) In the event that the number of applicants qualifying for the selection process exceeds the maximum number for a county, the secretary shall initiate a random selection process established by the secretary in rule."

On page 28, at the beginning of line 5 of the amendment, strike "licensed producer" and insert "law enforcement officer"

On page 28, beginning on line 5 of the amendment, after "order." insert "A licensed dispenser may also sell or deliver cannabis to the University of Washington or Washington State University for research purposes, as identified in section 1002 of this act."

On page 28, line 8 of the amendment, after "contacting" insert ", at least once in a one-year period,"

On page 28, beginning on line 15 of the amendment, after "care center," strike "or elementary or secondary school" and insert "elementary or secondary school,"

On page 32, line 4 of the amendment, after "seeking a" insert "nonvehicle"

On page 32, beginning on line 10 of the amendment, after "which" strike all material through "investigation" on line 24 and insert ":

(a) The peace officer has observed evidence of an apparent cannabis operation that is not a licensed producer, processor of cannabis products, or dispenser;

(b) The peace officer has observed evidence of theft of electrical power;

(c) The peace officer has observed evidence of illegal drugs other than cannabis at the premises;

(d) The peace officer has observed frequent and numerous short-term visits over an extended period that are consistent with commercial activity, if the subject of the investigation is not a licensed dispenser;

(e) The peace officer has observed violent crime or other demonstrated dangers to the community;

(f) The peace officer has probable cause to believe the subject of the investigation has committed a felony, or a misdemeanor in the officer's presence, that does not relate to cannabis; or

(g) The subject of the investigation has an outstanding arrest warrant"

On page 36, beginning on line 25 of the amendment, strike all of section 1102 and insert the following:

"NEW SECTION. **Sec. 1102.** (1) Cities and towns may adopt and enforce any of the following pertaining to the production, processing, or dispensing of cannabis or cannabis products within their jurisdiction: Zoning requirements, business licensing requirements, health and safety requirements, and business taxes. Nothing in this act is intended to limit the authority of cities and towns to impose zoning requirements or other conditions upon licensed dispensers, so long as such requirements do not preclude the possibility of siting licensed dispensers within the jurisdiction. If the jurisdiction has no commercial zones, the jurisdiction is not required to adopt zoning to accommodate licensed dispensers.

(2) Counties may adopt and enforce any of the following pertaining to the production, processing, or dispensing of cannabis or cannabis products within their jurisdiction in locations outside of the corporate limits of any city or town: Zoning requirements, business licensing requirements, and health and safety requirements. Nothing in this act is intended to limit the authority of counties to impose zoning requirements or other conditions upon licensed dispensers, so long as such requirements do not preclude the possibility of siting licensed dispensers within the jurisdiction. If the jurisdiction has no commercial zones, the jurisdiction is not required to adopt zoning to accommodate licensed dispensers.

On page 37, after line 5 of the amendment, insert the following: "NEW SECTION. **Sec. 1104.** In the event that the federal government authorizes the use of cannabis for medical purposes, within a year of such action, the joint legislative audit and review committee shall conduct a program and fiscal review of the cannabis production and dispensing programs established in this chapter. The review shall consider whether a distinct cannabis production and dispensing system continues to be necessary when considered in light of the federal action and make recommendations to the legislature."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 37, line 10 of the amendment, after "department" insert ", including local governments or jails,"

On page 37, line 14 of the amendment, after "department" insert ", including local governments or jails,"

On page 37, line 20 of the amendment, after "department" insert ", including local governments or jails,"

On page 39, line 10 of the amendment, after "department" insert "of health"

Representative Cody spoke in favor of the adoption of the amendment to the committee amendment.

Representative Schmick spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 50 - YEAS; 46 - NAYS.

Amendment (627) was adopted.

Representative Hurst moved the adoption of amendment (553) to the committee amendment.

On page 12, line 11 of the striking amendment, after "arrested," strike "searched,"

On page 12, line 14 of the striking amendment, after "property" strike "searched, seized," and insert "seized"

On page 13, line 7 of the striking amendment, after "evidence" strike "that the" and insert "that:

(a) The"

On page 13, line 9 of the striking amendment, after "benefit;" insert "or

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

On page 13, line 15 of the striking amendment, after "act" strike all material through "and" on line 17

On page 16, line 18 of the striking amendment, after "Washington;" strike "and"

On page 16, line 23 of the striking amendment, after "cannabis" insert "; and

"(4) Does not possess evidence that the nonresident has converted cannabis produced or obtained for his or her own medical use to the nonresident's personal, nonmedical use or benefit"

On page 19, line 32 of the striking amendment, after "from" strike "search, arrest," and insert "arrest"

On page 19, line 33 of the striking amendment, after "or" strike all material through "and" on line 34

On page 37, line 6 of the striking amendment, after "(1)" strike all material through "and" on line 7 and insert "(a) The arrest and prosecution protections established in section 401 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.

(b) The"

On page 37, line 7 of the striking amendment, after "sections" insert "402,"

Representatives Hurst and Schmick spoke in favor of the adoption of the amendment to the committee amendment.

Representative Goodman spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 49 - YEAS; 47 - NAYS.

Amendment (553) was adopted.

Representative Nealey moved the adoption of amendment (642) to the committee amendment.

On page 12, line 12 of the striking amendment, after "possession," strike all material through "or" on line 13 and insert "delivery of, or for possession with intent to"

On page 12, line 15 of the striking amendment, after "possession," strike all material through "or" on line 16 and insert "delivery of, or for possession with intent to"

On page 18, beginning on line 11 of the striking amendment, strike all of section 413 and insert the following:

"NEW SECTION. **Sec. 413.** (1) Nothing in this chapter or in the rules adopted to implement it authorizes a qualifying patient or designated provider to engage in the private, unlicensed, noncommercial production of cannabis for medical use as authorized under RCW 69.51A.040.

(2)(a) Nothing in this chapter or in the rules adopted to implement it precludes a qualifying patient or designated provider from engaging in the private, unlicensed, noncommercial possession, transportation, delivery, or administration of cannabis for medical use as authorized under RCW 69.51A.040.

(b) Nothing in this subsection applies to a person who is supervised by a corrections agency or department that has determined that the terms of this section are inconsistent with and contrary to his or her supervision."

Representatives Nealey, Klippert, Shea and Anderson spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (642) was not adopted.

Representative Ahern moved the adoption of amendment (616) to the committee amendment.

On page 14, beginning on line 7 of the striking amendment, strike all of section 403

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Ahern, Nealey and McCune spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (616) was not adopted.

With the consent of the house, amendment (614) to the committee amendment was withdrawn.

Representative Klippert moved the adoption of amendment (643) to the committee amendment.

On page 19, line 19 of the striking amendment, after "~~70.160.020~~))" insert "or hotel or motel"

Representatives Klippert and Goodman spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (643) was adopted.

Representative Bailey moved the adoption of amendment (625) to the committee amendment.

On page 19, after line 38 of the striking amendment, insert the following:

"(9) Nothing in this chapter authorizes the use of cannabis for medical purposes in the presence of a person less than eighteen years old or in an area where a person less than eighteen years old would be subjected to second hand smoke."

Representatives Bailey and Walsh spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 45 - YEAS; 51 - NAYS.

Amendment (625) was not adopted.

Representative McCune moved the adoption of amendment (609) to the committee amendment.

On page 22, line 34 of the striking amendment, after "processors" insert ". The security requirements must also require licensed producers and licensed processors to have on-site security twenty-four hours per day"

On page 26, line 17 of the striking amendment, after "requirements" insert ". The security requirements must require licensed dispensers to have on-site security twenty-four hours per day"

Representative McCune spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (609) was not adopted.

Representative McCune moved the adoption of amendment (623) to the committee amendment.

On page 23, after line 11 of the striking amendment, insert the following:

"NEW SECTION. **Sec. 609.** Licensed producers and licensed processors of cannabis products may not employ any person who has a criminal history of having committed a felony. Licensed producers and licensed processors of cannabis products must conduct state background checks through the state patrol on all employees or prospective employees. Background checks on employees must be conducted every two years."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 27, after line 37 of the striking amendment, insert the following:

"NEW SECTION. **Sec. 703.** Licensed dispensers may not employ any person who has a criminal history of having committed a felony. Licensed dispensers must conduct state background checks through the state patrol on all employees or prospective employees. Background checks on employees must be conducted every two years."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representative McCune spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (623) was not adopted.

Representative McCune moved the adoption of amendment (610) to the committee amendment.

On page 26, line 22 of the striking amendment, after "facilities" insert ". The physical standards must require a licensed dispenser to ensure that no cannabis or cannabis paraphernalia may be viewed from outside the facility"

Representatives McCune and Cody spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (610) was adopted.

Representative Ahern moved the adoption of amendment (618) to the committee amendment.

On page 26, beginning on line 31 of the striking amendment, strike all of subsection (m)

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

On page 26, beginning on line 37 of the striking amendment, after "(2)(a)" strike all material through "section" on page 27, line 12 and insert "Only one licensed dispenser may operate per county.

(b) The determination of which applicant shall be the sole licensed dispenser within a county"

On page 27, beginning on line 26 of the striking amendment, after "to" strike all material through "Issue" on line 29 and insert "issue"

Representative Ahern spoke in favor of the adoption of the amendment to the committee amendment.

Representative Jinkins spoke against the adoption of the amendment to the committee amendment.

Amendment (618) was not adopted.

Representative Ahern moved the adoption of amendment (617) to the committee amendment.

On page 28, at the beginning of line 15 of the striking amendment, strike "five hundred" and insert "one thousand"

Representatives Ahern, Shea, Klippert, Hinkle, Smith, Orcutt, Overstreet, Rodne, Hinkle (again), Orcutt (again) and Parker spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Goodman, Cody, Jinkins and Goodman (again) spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 47 - YEAS; 49 - NAYS.

Amendment (617) was not adopted.

Representative McCune moved the adoption of amendment (640) to the committee amendment.

On page 28, line 15 of the striking amendment, after "a" insert "teen center, church, public library, family day care provider, public or private agency or organization that services primarily children, public or private park or recreational facility, secure or semi-secure facility for juveniles or other juvenile detention facility, shopping mall,"

Representatives McCune, Shea and Parker spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Goodman and Dickerson spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 45 - YEAS; 51 - NAYS.

Amendment (640) was not adopted.

Representative Anderson moved the adoption of amendment (615) to the committee amendment.

On page 28, after line 16 of the striking amendment, insert the following:

"NEW SECTION. **Sec. 706.** A licensed dispenser shall require each qualifying patient to electronically or manually sign a record

each time medical cannabis is dispensed. The record must include the name and address of the qualifying patient, the date and the time the medical cannabis was dispensed, the name and initials of the person dispensing the medical cannabis, and the total quantity of medical cannabis dispensed. The licensed dispenser shall transmit the records collected under this section to the department of health on a monthly basis. The department of health shall maintain the records electronically."

Representative Anderson spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 44 - YEAS; 52 - NAYS.

Amendment (615) was not adopted.

Representative Hurst moved the adoption of amendment (629) to the committee amendment.

On page 31, line 17 of the striking amendment, after "person" strike all material through "registration" on line 19

Representatives Hurst and Schmick spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (629) was adopted.

Representative McCune moved the adoption of amendment (575) to the committee amendment.

On page 36, beginning on line 29 of the striking amendment, after "jurisdiction." strike all material through "act" on line 32 and insert "Zoning requirements may include the issuance of a moratorium"

Representative McCune spoke in favor of the adoption of the amendment to the committee amendment.

Representative Takko spoke against the adoption of the amendment to the committee amendment.

Amendment (575) was not adopted.

Representative Ahern moved the adoption of amendment (619) to the committee amendment.

On page 1 of the striking amendment, strike all material after line 2 and insert the following:

"**PART I**

LEGISLATIVE DECLARATION AND INTENT

NEW SECTION. **Sec. 101.** (1) The legislature intends to amend and clarify the law on the medical use of marijuana so that:

(a) Qualifying patients and designated providers complying with the terms of this act and registering with the department of health will no longer be subject to arrest or prosecution, other criminal sanctions, or civil consequences based solely on their medical use of marijuana;

(b) Qualifying patients will have access to an adequate, safe, consistent, and secure source of medical quality marijuana; and

(c) Health care professionals may authorize the medical use of marijuana in the manner provided by this act without fear of state criminal or civil sanctions.

(2) This act is not intended to amend or supersede Washington state law prohibiting the acquisition, possession, manufacture, sale, or use of marijuana for nonmedical purposes.

(3) This act is not intended to compromise community safety. State, county, or city correctional agencies or departments shall retain the authority to establish and enforce terms for those on active supervision.

Sec. 102. RCW 69.51A.005 and 2010 c 284 s 1 are each amended to read as follows:

(1) The ((~~people of Washington state~~)) legislature finds that:

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

(i) Nausea ((~~and~~)), vomiting ((~~in cancer patients; AIDS wasting syndrome~~)), 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; ((~~epilepsy;~~))

(iii) Acute or chronic glaucoma;

(iv) Crohn's disease; and

(v) Some forms of intractable pain.

((~~The people find that~~)) (b) Humanitarian compassion necessitates that the decision to ((~~authorize the medical~~)) use ((~~of~~)) marijuana by patients with terminal or debilitating ((~~illnesses~~)) medical conditions is a personal, individual decision, based upon their health care professional's professional medical judgment and discretion.

(2) Therefore, the ((~~people of the state of Washington~~)) legislature intends that:

(a) Qualifying patients with terminal or debilitating ((~~illnesses~~)) medical conditions who, in the judgment of their health care professionals, may benefit from the medical use of marijuana, shall not be ((~~found guilty of a crime under state law for their possession and limited use of marijuana~~)) arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law based solely on their medical use of marijuana, notwithstanding any other provision of law;

(b) Persons who act as designated providers to such patients shall also not be ((~~found guilty of a crime under state law for~~)) arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law, notwithstanding any other provision of law, based solely on their assisting with the medical use of marijuana; and

(c) Health care professionals shall also ((~~be excepted from liability and prosecution~~)) not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law for the proper authorization of ((~~marijuana~~)) medical use ((~~to~~)) of marijuana by qualifying patients for whom, in the health care professional's professional judgment, the medical use of marijuana may prove beneficial.

(3) Nothing in this chapter establishes the medical necessity or medical appropriateness of marijuana for treating terminal or debilitating medical conditions as defined in RCW 69.51A.010.

(4) Nothing in this chapter diminishes the authority of correctional agencies and departments, including local governments or jails, to establish a procedure for determining when the use of marijuana would impact community safety or the effective supervision of those on active supervision for a criminal conviction, nor does it create the right to any accommodation of any medical use of marijuana in any correctional facility or jail.

Sec. 103. RCW 69.51A.020 and 1999 c 2 s 3 are each amended to read as follows:

Nothing in this chapter shall be construed to supersede Washington state law prohibiting the acquisition, possession, manufacture, sale, or use of marijuana for nonmedical purposes. Criminal penalties created under this act do not preclude the prosecution or punishment for other crimes, including other crimes involving the manufacture or delivery of marijuana for nonmedical purposes.

PART II
DEFINITIONS

Sec. 201. RCW 69.51A.010 and 2010 c 284 s 2 are each amended to read as follows:

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

(1) "Correctional facility" has the same meaning as provided in RCW 72.09.015.

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

(3) "Designated provider" means a person who:

(a) Is eighteen years of age or older;

(b) Has been designated in ((~~writing~~)) a written document signed and dated by a qualifying patient to serve as a designated provider under this chapter; and

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

(d) Is the designated provider to only one patient at any one time.

(2))) in compliance with the terms and conditions set forth in RCW 69.51A.040.

A qualifying patient may be the designated provider for another qualifying patient and be in possession of both patients' marijuana at the same time.

(4) "Director" means the director of the department of agriculture.

(5) "Dispense" means the selection, measuring, packaging, labeling, delivery, or retail sale of marijuana by a licensed dispenser to a qualifying patient or designated provider.

(6) "Health care professional," for purposes of this chapter only, means a physician licensed under chapter 18.71 RCW, a physician assistant licensed under chapter 18.71A RCW, an osteopathic physician licensed under chapter 18.57 RCW, an osteopathic physicians' assistant licensed under chapter 18.57A RCW, a naturopath licensed under chapter 18.36A RCW, or an advanced registered nurse practitioner licensed under chapter 18.79 RCW.

(((~~(3)~~))) (7) "Jail" has the same meaning as provided in RCW 70.48.020.

(8) "Labeling" means all labels and other written, printed,or graphic matter (a) upon any marijuana intended for medical use, or (b) accompanying such marijuana.

(9) "Licensed dispenser" means a person licensed to dispense marijuana for medical use to qualifying patients and designated providers by the department of health in accordance with rules adopted by the department of health pursuant to the terms of this chapter.

(10) "Licensed processor of marijuana products" means a person licensed by the department of agriculture to manufacture, process, handle, and label marijuana products for wholesale to licensed dispensers.

(11) "Licensed producer" means a person licensed by the department of agriculture to produce marijuana for medical use for wholesale to licensed dispensers and licensed processors of marijuana products in accordance with rules adopted by the department of agriculture pursuant to the terms of this chapter.

(12) "Marijuana" means all parts of the plant *Cannabis*, whether growing or not; 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. For the purposes of this chapter, "marijuana" 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. The term "marijuana" includes marijuana products and useable marijuana.

(13) "Marijuana analysis laboratory" means a laboratory that performs chemical analysis and inspection of marijuana samples.

(14) "Marijuana products" means products that contain marijuana or marijuana extracts, have a measurable THC concentration greater than three-tenths of one percent, and are intended for human consumption or application, including, but not limited to, edible products, tinctures, and lotions. The term "marijuana products" does not include useable marijuana. The definition of "marijuana products" as a measurement of THC concentration only applies to the provisions of this chapter and shall not be considered applicable to any criminal laws related to marijuana or marijuana.

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

(((~~(4)~~))) (16) "Nonresident" means a person who is temporarily in the state but is not a Washington state resident.

(17) "Peace officer" means any law enforcement personnel as defined in RCW 43.101.010.

(18) "Person" means an individual or an entity.

(19) "Personally identifiable information" means any information that includes, but is not limited to, data that uniquely identify, distinguish, or trace a person's identity, such as the person's name, date of birth, or address, either alone or when combined with other sources, that establish the person is a qualifying patient, designated provider, licensed producer, or licensed processor of marijuana products for purposes of registration with the department of health or department of agriculture. The term "personally identifiable information" also means any information used by the department of health or department of agriculture to identify a person as a qualifying patient, designated provider, licensed producer, or licensed processor of marijuana products.

(20) "Plant" means an organism 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 shall be considered part of the same single plant.

(21) "Process" means to handle or process marijuana in preparation for medical use.

(22) "Processing facility" means the premises and equipment where marijuana products are manufactured, processed, handled, and labeled for wholesale to licensed dispensers.

(23) "Produce" means to plant, grow, or harvest marijuana for medical use.

(24) "Production facility" means the premises and equipment where marijuana is planted, grown, harvested, processed, stored, handled, packaged, or labeled by a licensed producer for wholesale, delivery, or transportation to a licensed dispenser or licensed processor of marijuana products, and all vehicles and equipment used

to transport marijuana from a licensed producer to a licensed dispenser or licensed processor of marijuana products.

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

(26) "Qualifying patient" means a person who:

(a)(i) Is a patient of a health care professional;

((~~(b)~~)) (ii) Has been diagnosed by that health care professional as having a terminal or debilitating medical condition;

((~~(c)~~)) (iii) Is a resident of the state of Washington at the time of such diagnosis;

((~~(d)~~)) (iv) Has been advised by that health care professional about the risks and benefits of the medical use of marijuana; ((~~and~~ ~~(e)~~)) (v) Has been advised by that health care professional that ((~~they~~)) he or she may benefit from the medical use of marijuana; and

(vi) Is otherwise in compliance with the terms and conditions established in this chapter.

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

((~~(5)~~)) (27) "Secretary" means the secretary of health.

(28) "Tamper-resistant paper" means paper that meets one or more of the following industry-recognized features:

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

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

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

((~~(6)~~)) (29) "Terminal or debilitating medical condition" means:

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

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

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

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

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

(f) Diseases, including anorexia, which result in nausea, vomiting, ((~~wasting~~)) cachexia, appetite loss, cramping, seizures, muscle 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.

((~~(7)~~)) (30) "THC concentration" means percent of tetrahydrocannabinol content per weight or volume of useable marijuana or marijuana product.

(31) "Useable marijuana" means dried flowers of the *Cannabis* plant having a THC concentration greater than three-tenths of one percent. Useable marijuana excludes stems, stalks, leaves, seeds, and roots. For purposes of this subsection, "dried" means containing less than fifteen percent moisture content by weight. The term "useable marijuana" does not include marijuana products.

(32)(a) Until January 1, 2013, "valid documentation" 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 identicard, as defined in RCW 46.20.035; and

(iii) In the case of a designated provider, the signed and dated document valid for one year from the date of signature executed by the qualifying patient who has designated the provider; and

(b) Beginning July 1, 2012, "valid documentation" means:

(i) An original statement signed and dated by a qualifying patient's health care professional written on tamper-resistant paper and valid for up to one year from the date of the health care professional's signature, which states that, in the health care professional's professional opinion, the patient may benefit from the medical use of marijuana;

(ii) Proof of identity such as a Washington state driver's license or identicard, as defined in RCW 46.20.035; and

(iii) In the case of a designated provider, the signed and dated document valid for up to one year from the date of signature executed by the qualifying patient who has designated the provider."

PART III

PROTECTIONS FOR HEALTH CARE PROFESSIONALS

Sec. 301. RCW 69.51A.030 and 2010 c 284 s 3 are each amended to read as follows:

((A health care professional shall be excepted from the state's criminal laws and shall not be penalized in any manner, or denied any right or privilege, for)) (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:

((~~(1)~~)) (a) Advising a ((~~qualifying~~)) patient about the risks and benefits of medical use of marijuana or that the ((~~qualifying~~)) patient may benefit from the medical use of marijuana ((~~where such use is within a professional standard of care or in the individual health care professional's medical judgment~~)); or

((~~(2)~~)) (b) Providing a ((~~qualifying~~)) patient meeting the criteria established under RCW 69.51A.010(26) with valid documentation, based upon the health care professional's assessment of the ((~~qualifying~~)) patient's medical history and current medical condition, ((~~that the medical use of marijuana may benefit a particular qualifying patient~~)) where such use is within a professional standard of care or in the individual health care professional's medical judgment.

(2)(a) A health care professional may only provide a patient with valid documentation authorizing the medical use of marijuana or register the patient with the registry established in section 901 of this act if he or she has a documented relationship with the patient relating to the diagnosis and ongoing treatment or monitoring of the patient's terminal or debilitating medical condition, and only after:

(i) Completing a physical examination of the patient as appropriate, based on the patient's condition and age;

(ii) Documenting 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 marijuana;

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

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

(b) 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 marijuana products;

(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 marijuana products;

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

(iv) Have a business or practice which consists solely of authorizing the medical use of marijuana;

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

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

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

PART IV
PROTECTIONS FOR QUALIFYING PATIENTS AND DESIGNATED PROVIDERS

Sec. 401. RCW 69.51A.040 and 2007 c 371 s 5 are each amended to read as follows:

(((1) If a law enforcement officer determines that marijuana is being possessed lawfully under the medical marijuana law, the officer may document the amount of marijuana, take a representative sample that is large enough to test, but not seize the marijuana. A law enforcement officer or agency shall not be held civilly liable for failure to seize marijuana in this circumstance.

(2) If charged with a violation of state law relating to marijuana, any qualifying patient who is engaged in the medical use of marijuana, or any designated provider who assists a qualifying patient in the medical use of marijuana, will be deemed to have established an affirmative defense to such charges by proof of his or her compliance with the requirements provided in this chapter. Any person meeting the requirements appropriate to his or her status under this chapter shall be considered to have engaged in activities permitted by this chapter and shall not be penalized in any manner, or denied any right or privilege, for such actions.

(3) A qualifying patient, if eighteen years of age or older, or a designated provider shall:

(a) Meet all criteria for status as a qualifying patient or designated provider;

(b) Possess no more marijuana than is necessary for the patient's personal, medical use, not exceeding the amount necessary for a sixty-day supply; and

(c) Present his or her valid documentation to any law enforcement official who questions the patient or provider regarding his or her medical use of marijuana.

(4) A qualifying patient, if under eighteen years of age at the time he or she is alleged to have committed the offense, shall demonstrate compliance with subsection (3)(a) and (c) of this section. However, any possession under subsection (3)(b) of this section, as well as any production, acquisition, and decision as to dosage and frequency of use, shall be the responsibility of the parent or legal guardian of the qualifying patient.)) The medical use of 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, searched, prosecuted, or subject to other criminal sanctions or civil consequences for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, marijuana under state law, or have real or personal property searched, seized, or forfeited for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, marijuana under state law, and investigating peace officers and law enforcement agencies may not be held civilly liable for failure to seize marijuana in this circumstance, if:

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

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

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

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

(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, whether the plants, useable marijuana, and marijuana product are possessed individually or in combination between the qualifying patient and his or her designated provider;

(2) The qualifying patient or designated provider presents his or her proof of registration with the department of health, to any peace officer who questions the patient or provider regarding his or her medical use of marijuana;

(3) 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 and the qualifying patient or designated provider's contact information posted prominently next to any marijuana plants, marijuana products, or useable marijuana located at his or her residence;

(4) The investigating peace officer does not possess evidence that the designated provider has converted marijuana produced or obtained for the qualifying patient for his or her own personal use or benefit; and

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

NEW SECTION. **Sec. 402.** (1) A qualifying patient or designated provider who is not registered with the registry established in section 901 of this act may not be taken into custody or booked into jail on the grounds of his or her medical use of marijuana prior to conviction, and 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 officer who questions the patient or provider regarding his or her medical use of marijuana;

(b) The qualifying patient or designated provider possesses no more marijuana than the limits set forth in RCW 69.51A.040(1);

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

(d) The investigating peace 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 marijuana; and

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

(2) A qualifying patient or designated provider who is not registered with the registry established in section 901 of this act, but who presents his or her valid documentation to any peace officer who questions the patient or provider regarding his or her medical use of

marijuana, may assert an affirmative defense to charges of violations of state law relating to 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 marijuana than the limits set forth in RCW 69.51A.040(1) may, in the investigating peace officer's discretion, be taken into custody and booked into jail in connection with the investigation of the incident.

NEW SECTION. **Sec. 403.** (1) Qualifying patients may create and participate in collective gardens for the purpose of producing, processing, transporting, and delivering 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) A collective garden may contain no more than fifteen plants per patient up to a total of forty-five plants;

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

(d) A copy of each qualifying patient's valid documentation or proof of registration with the registry established in section 901 of this act, 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) No useable 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 marijuana for medical use such as, for example, a location for a collective garden; equipment, supplies, and labor necessary to plant, grow, and harvest marijuana; marijuana plants, seeds, and cuttings; and equipment, supplies, and labor necessary for proper construction, plumbing, wiring, and ventilation of a garden of 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. 404.** (1) A qualifying patient may revoke his or her designation of a specific provider and designate a different provider at any time. A revocation of designation must be in writing, signed and dated. 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. 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.

NEW SECTION. **Sec. 405.** A qualifying patient or designated provider in possession of marijuana plants, useable marijuana, or marijuana product exceeding the limits set forth in RCW 69.51A.040(1) 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 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(1). An investigating peace officer may seize marijuana plants, useable marijuana, or marijuana product exceeding the amounts set forth in RCW 69.51A.040(1): PROVIDED, That in the case of marijuana 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 marijuana in this circumstance.

NEW SECTION. **Sec. 406.** A qualifying patient or designated provider who is not registered with the registry established in section 901 of this act or does not present his or her valid documentation to a peace officer who questions the patient or provider regarding his or her medical use of marijuana but is 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 marijuana through proof at trial, by a preponderance of the evidence, that he or she was a validly authorized qualifying patient or designated provider at the time of the officer's questioning. A qualifying patient or designated provider who establishes an affirmative defense under the terms of this section may also establish an affirmative defense under section 405 of this act.

NEW SECTION. **Sec. 407.** A nonresident who is duly authorized to engage in the medical use of marijuana under the laws of another state or territory of the United States may raise an affirmative defense to charges of violations of Washington state law relating to marijuana, provided that the nonresident:

(1) Possesses no more than fifteen marijuana plants and no more than twenty-four ounces of useable marijuana, no more marijuana product than reasonably could be produced with no more than twenty-four ounces of useable marijuana, or a combination of useable marijuana and marijuana product that does not exceed a combined total representing possession and processing of no more than twenty-four ounces of useable marijuana;

(2) Is in compliance with all provisions of this chapter other than requirements relating to being a Washington resident or possessing valid documentation issued by a licensed health care professional in Washington; and

(3) Presents the documentation of authorization required under the nonresident's authorizing state or territory's law and proof of identity issued by the authorizing state or territory to any peace officer who questions the nonresident regarding his or her medical use of marijuana.

NEW SECTION. **Sec. 408.** A qualifying patient's medical use of marijuana as authorized by a health care professional may not be a sole disqualifying factor in determining the patient's suitability for an organ transplant, unless it is shown that this use poses a significant risk of rejection or organ failure. This section does not preclude a health care professional from requiring that a patient abstain from the medical use of marijuana, for a period of time determined by the health care professional, while waiting for a transplant organ or before the patient undergoes an organ transplant.

NEW SECTION. **Sec. 409.** A qualifying patient or designated provider may not have his or her parental rights or residential time with a child restricted solely due to his or her medical use of marijuana in compliance with the terms of this chapter absent written findings supported by evidence that such use has resulted in a long-term impairment that interferes with the performance of parenting functions as defined under RCW 26.09.004.

NEW SECTION. **Sec. 410.** (1) Except as provided in subsection (2) of this section, a qualifying patient may not be refused housing or evicted from housing solely as a result of his or her possession or use of useable marijuana or marijuana products except that housing providers otherwise permitted to enact and enforce prohibitions against smoking in their housing may apply those prohibitions to smoking marijuana provided that such smoking prohibitions are applied and enforced equally as to the smoking of marijuana and the smoking of all other substances, including without limitation tobacco.

(2) Housing programs containing a program component prohibiting the use of drugs or alcohol among its residents are not required to permit the medical use of marijuana among those residents.

NEW SECTION. **Sec. 411.** In imposing any criminal sentence, deferred prosecution, stipulated order of continuance, deferred disposition, or dispositional order, any court organized under the laws of Washington state may permit the medical use of marijuana in compliance with the terms of this chapter and exclude it as a possible

ground for finding that the offender has violated the conditions or requirements of the sentence, deferred prosecution, stipulated order of continuance, deferred disposition, or dispositional order. This section does not require the accommodation of any medical use of marijuana in any correctional facility or jail.

Sec. 412. RCW 69.51A.050 and 1999 c 2 s 7 are each amended to read as follows:

(1) The lawful possession, delivery, dispensing, production, or manufacture of ((~~medical~~)) marijuana for medical use as authorized by this chapter shall not result in the forfeiture or seizure of any real or personal property including, but not limited to, marijuana intended for medical use, items used to facilitate the medical use of marijuana or its production or dispensing for medical use, or proceeds of sales of marijuana for medical use made by licensed producers, licensed processors of marijuana products, or licensed dispensers.

(2) No person shall be prosecuted for constructive possession, conspiracy, or any other criminal offense solely for being in the presence or vicinity of ((~~medical~~)) marijuana intended for medical use or its use as authorized by this chapter.

(3) The state shall not be held liable for any deleterious outcomes from the medical use of marijuana by any qualifying patient.

NEW SECTION. **Sec. 413.** (1) Nothing in this chapter or in the rules adopted to implement it precludes a qualifying patient or designated provider from engaging in the private, unlicensed, noncommercial production, possession, transportation, delivery, or administration of marijuana for medical use as authorized under RCW 69.51A.040.

(2) Nothing in this section applies to a person who is supervised by a corrections agency or department that has determined that the terms of this section are inconsistent with and contrary to his or her supervision.

PART V
LIMITATIONS ON PROTECTIONS FOR QUALIFYING PATIENTS AND DESIGNATED PROVIDERS

Sec. 501. RCW 69.51A.060 and 2010 c 284 s 4 are each amended to read as follows:

(1) ((It shall be a misdemeanor to use or display medical marijuana in a manner or place which is open to the view of the general public.)) It is unlawful to open a package containing marijuana or consume marijuana in a public place in a manner that presents a reasonably foreseeable risk that another person would see and be able to identify the substance contained in the package or being consumed as marijuana. A person who violates a provision of this section commits a class 3 civil infraction under chapter 7.80 RCW. This subsection does not apply to licensed dispensers or their employees, members, officers, or directors displaying marijuana to customers on their licensed premises as long as such displays are not visible to members of the public standing or passing outside the premises.

(2) Nothing in this chapter ((~~requires any health insurance provider~~)) 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 marijuana. Such entities may enact coverage or noncoverage criteria or related policies for payment or nonpayment of medical marijuana in their sole discretion.

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

(4) Nothing in this chapter requires any accommodation of any on-site medical use of 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 ((~~medical~~)) marijuana in any public place ((~~as that term is defined in RCW 70.160.020~~)).

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

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

(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(((~~(7)~~))) (32)(a), or to backdate such documentation to a time earlier than its actual date of execution.

(((~~(6)~~))) (8) No person shall be entitled to claim the ((~~affirmative defense provided in RCW 69.51A.040~~)) protection from search, arrest, and prosecution under RCW 69.51A.040 or protection from search and arrest and the affirmative defense under section 402 of this act for engaging in the medical use of 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.

PART VI
LICENSED PRODUCERS AND LICENSED PROCESSORS OF MARIJUANA PRODUCTS

NEW SECTION. **Sec. 601.** A person may not act as a licensed producer without a license for each production facility issued by the department of agriculture and prominently displayed on the premises. Provided they are acting in compliance with the terms of this chapter and rules adopted to enforce and carry out its purposes, licensed producers and their employees, members, officers, and directors may manufacture, plant, cultivate, grow, harvest, produce, prepare, propagate, process, package, repackage, transport, transfer, deliver, label, relabel, wholesale, or possess marijuana intended for medical use by qualifying patients, including seeds, seedlings, cuttings, plants, and useable marijuana, and may not be arrested, searched, prosecuted, or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

NEW SECTION. **Sec. 602.** A person may not act as a licensed processor without a license for each processing facility issued by the department of agriculture and prominently displayed on the premises. Provided they are acting in compliance with the terms of this chapter and rules adopted to enforce and carry out its purposes, licensed processors of marijuana products and their employees, members, officers, and directors may possess useable marijuana and manufacture, produce, prepare, process, package, repackage, transport, transfer, deliver, label, relabel, wholesale, or possess marijuana products intended for medical use by qualifying patients, and may not be arrested, searched, prosecuted, or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

NEW SECTION. **Sec. 603.** The director shall administer and carry out the provisions of this chapter relating to licensed producers and licensed processors of marijuana products, and rules adopted under this chapter.

NEW SECTION. **Sec. 604.** (1) On a schedule determined by the department of agriculture, licensed producers and licensed processors must submit representative samples of marijuana grown or processed to a marijuana analysis laboratory for grade, condition, cannabinoid profile, THC concentration, other qualitative measurements of marijuana intended for medical use, and other inspection standards determined by the department of agriculture. Any samples remaining after testing must be destroyed by the laboratory or returned to the licensed producer or licensed processor.

(2) Licensed producers and licensed processors must submit copies of the results of this inspection and testing to the department of agriculture on a form developed by the department.

(3) If a representative sample of marijuana tested under this section has a THC concentration of three-tenths of one percent or less, the lot of marijuana the sample was taken from may not be sold for medical use and must be destroyed or sold to a manufacturer of hemp products.

NEW SECTION. **Sec. 605.** The department of agriculture may contract with a marijuana analysis laboratory to conduct independent inspection and testing of marijuana samples to verify testing results provided under section 604 of this act.

NEW SECTION. **Sec. 606.** The department of agriculture may adopt rules on:

(1) Facility standards, including scales, for all licensed producers and licensed processors of marijuana products;

(2) Measurements for marijuana intended for medical use, including grade, condition, cannabinoid profile, THC concentration, other qualitative measurements, and other inspection standards for marijuana intended for medical use; and

(3) Methods to identify marijuana intended for medical use so that such marijuana may be readily identified if stolen or removed in violation of the provisions of this chapter from a production or processing facility, or if otherwise unlawfully transported.

NEW SECTION. **Sec. 607.** The director is authorized to deny, suspend, or revoke a producer's or processor's license after a hearing in any case in which it is determined that there has been a violation or refusal to comply with the requirements of this chapter or rules adopted hereunder. All hearings for the denial, suspension, or revocation of a producer's or processor's license are subject to chapter 34.05 RCW, the administrative procedure act, as enacted or hereafter amended.

NEW SECTION. **Sec. 608.** (1) By January 1, 2013, taking into consideration, but not being limited by, the security requirements described in 21 C.F.R. Sec. 1301.71-1301.76, the director shall adopt rules:

(a) On the inspection or grading and certification of grade, grading factors, condition, cannabinoid profile, THC concentration, or other qualitative measurement of marijuana intended for medical use that must be used by marijuana analysis laboratories in section 604 of this act;

(b) Fixing the sizes, dimensions, and safety and security features required of containers to be used for packing, handling, or storing marijuana intended for medical use;

(c) Establishing labeling requirements for marijuana intended for medical use including, but not limited to:

(i) The business or trade name and Washington state unified business identifier (UBI) number of the licensed producer of the marijuana;

(ii) THC concentration; and

(iii) Information on whether the marijuana was grown using organic, inorganic, or synthetic fertilizers;

(d) Establishing requirements for transportation of marijuana intended for medical use from production facilities to processing facilities and licensed dispensers;

(e) Establishing security requirements for the facilities of licensed producers and licensed processors of marijuana products. These security requirements must consider the safety of the licensed producers and licensed processors as well as the safety of the community surrounding the licensed producers and licensed processors;

(f) Establishing requirements for the licensure of producers, and processors of marijuana products, setting forth procedures to obtain licenses, and determining expiration dates and renewal requirements; and

(g) Establishing license application and renewal fees for the licensure of producers and processors of marijuana products.

(2) Fees collected under this section must be deposited into the agricultural local fund created in RCW 43.23.230.

(3) During the rule-making process, the department of agriculture shall consult with 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 department of health.

NEW SECTION. **Sec. 609.** (1) Each licensed producer and licensed processor of marijuana products shall maintain complete records at all times with respect to all marijuana produced, processed, weighed, tested, stored, shipped, or sold. The director shall adopt rules specifying the minimum recordkeeping requirements necessary to comply with this section.

(2) The property, books, records, accounts, papers, and proceedings of every licensed producer and licensed processor of marijuana products shall be subject to inspection by the department of agriculture at any time during ordinary business hours. Licensed producers and licensed processors of marijuana products shall maintain adequate records and systems for the filing and accounting of crop production, product manufacturing and processing, records of weights and measurements, product testing, receipts, canceled receipts, other documents, and transactions necessary or common to the medical marijuana industry.

(3) The director may administer oaths and issue subpoenas to compel the attendance of witnesses, or the production of books, documents, and records anywhere in the state pursuant to a hearing relative to the purposes and provisions of this chapter. Witnesses shall be entitled to fees for attendance and travel, as provided in chapter 2.40 RCW.

(4) Each licensed producer and licensed processor of marijuana products shall report information to the department of agriculture at such times and as may be reasonably required by the director for the necessary enforcement and supervision of a sound, reasonable, and efficient marijuana inspection program for the protection of the health and welfare of qualifying patients.

NEW SECTION. **Sec. 610.** (1) The department of agriculture may give written notice to a licensed producer or processor of marijuana products to furnish required reports, documents, or other requested information, under such conditions and at such time as the department of agriculture deems necessary if a licensed producer or processor of marijuana products fails to:

(a) Submit his or her books, papers, or property to lawful inspection or audit;

(b) Submit required laboratory results, reports, or documents to the department of agriculture by their due date; or

(c) Furnish the department of agriculture with requested information.

(2) If the licensed producer or processor of marijuana products fails to comply with the terms of the notice within seventy-two hours from the date of its issuance, or within such further time as the department of agriculture may allow, the department of agriculture shall levy a fine of five hundred dollars per day from the final date for compliance allowed by this section or the department of agriculture. In those cases where the failure to comply continues for more than seven days or where the director determines the failure to comply creates a threat to public health, public safety, or a substantial risk of diversion of marijuana to unauthorized persons or purposes, the department of agriculture may, in lieu of levying further fines, petition the superior court of the county where the licensee's principal place of business in Washington is located, as shown by the license application, for an order:

(a) Authorizing the department of agriculture to seize and take possession of all books, papers, and property of all kinds used in connection with the conduct or the operation of the licensed producer or processor's business, and the books, papers, records, and property that pertain specifically, exclusively, and directly to that business; and

(b) Enjoining the licensed producer or processor from interfering with the department of agriculture in the discharge of its duties as required by this chapter.

(3) All necessary costs and expenses, including attorneys' fees, incurred by the department of agriculture in carrying out the provisions of this section may be recovered at the same time and as part of the action filed under this section.

(4) The department of agriculture may request the Washington state patrol to assist it in enforcing this section if needed to ensure the safety of its employees.

NEW SECTION. **Sec. 611.** (1) A licensed producer may not sell or deliver marijuana to any person other than a marijuana analysis laboratory, licensed processor of marijuana products, licensed dispenser, or law enforcement officer except as provided by court order. Violation of this section is a class C felony punishable according to chapter 9A.20 RCW.

(2) A licensed processor of marijuana products may not sell or deliver marijuana to any person other than a marijuana analysis laboratory licensed dispenser, or law enforcement officer except as provided by court order. Violation of this section is a class C felony punishable according to chapter 9A.20 RCW.

PART VII

LICENSED DISPENSERS

NEW SECTION. **Sec. 701.** A person may not act as a licensed dispenser without a license for each place of business issued by the department of health and prominently displayed on the premises. Provided they are acting in compliance with the terms of this chapter and rules adopted to enforce and carry out its purposes, licensed dispensers and their employees, members, officers, and directors may deliver, distribute, dispense, transfer, prepare, package, repackage, label, relabel, sell at retail, or possess marijuana intended for medical use by qualifying patients, including seeds, seedlings, cuttings, plants, useable marijuana, and marijuana products, and may not be arrested, searched, prosecuted, or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

NEW SECTION. **Sec. 702.** (1) By January 1, 2013, taking into consideration the security requirements described in 21 C.F.R. 1301.71-1301.76, the secretary of health shall adopt rules:

(a) Establishing requirements for the licensure of dispensers of marijuana for medical use, setting forth procedures to obtain licenses, and determining expiration dates and renewal requirements;

(b) Providing for mandatory inspection of licensed dispensers' locations;

(c) Establishing procedures governing the suspension and revocation of licenses of dispensers;

(d) Establishing recordkeeping requirements for licensed dispensers;

(e) Fixing the sizes and dimensions of containers to be used for dispensing marijuana for medical use;

(f) Establishing safety standards for containers to be used for dispensing marijuana for medical use;

(g) Establishing marijuana storage requirements, including security requirements;

(h) Establishing marijuana labeling requirements, to include information on whether the marijuana was grown using organic, inorganic, or synthetic fertilizers;

(i) Establishing physical standards for marijuana dispensing facilities;

(j) Establishing maximum amounts of marijuana and marijuana products that may be kept at one time at a dispensary. In determining maximum amounts, the secretary must consider the security of the dispensary and the surrounding community;

(k) Establishing physical standards for sanitary conditions for marijuana dispensing facilities;

(l) Establishing physical and sanitation standards for marijuana dispensing equipment;

(m) Establishing a maximum number of licensed dispensers that may be licensed in each county as provided in this section;

(n) Enforcing and carrying out the provisions of this section and the rules adopted to carry out its purposes; and

(o) Establishing license application and renewal fees for the licensure of dispensers in accordance with RCW 43.70.250.

(2)(a) The secretary of health shall adopt rules to establish a maximum number of licensed dispensers that may operate in each county. When establishing the initial maximum number of dispensers, the department shall base the number on each county's population and the number of licensed dispensers reasonably required to meet the expected demand. Subsequent determinations of the maximum number shall be based upon the number of licensed dispensers reasonably required to meet the demands of the qualifying patients and designated providers from each county who are registered with the registry in section 901 of this act. The secretary may not issue more licenses than the maximum number for each county established under this subsection.

(b) Determinations of which applicants shall be licensed within a county for purposes of the maximum allowable number of licensed dispensers as provided in this section shall be made by the secretary according to a random selection process.

(c) To qualify for the selection process, an applicant must demonstrate to the secretary that he or she meets initial screening criteria that represent the applicant's capacity to operate in compliance with this chapter. Initial screening criteria shall include, but not be limited to:

(i) Successful completion of a background check;

(ii) A plan to systematically verify qualifying patient and designated provider status of clients;

(iii) Evidence of compliance with functional standards, such as ventilation and security requirements; and

(iv) Evidence of compliance with facility standards, such as zoning compliance and not using the facility as a residence.

(d) The secretary shall establish a schedule to:

(i) Update the maximum allowable number of licensed dispensers in each county; and

(ii) Issue approvals to operate within a county according to the random selection process.

(3) Fees collected under this section must be deposited into the health professions account created in RCW 43.70.320.

(4) During the rule-making process, the department of health shall consult with 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 department of agriculture.

NEW SECTION. **Sec. 703.** A licensed dispenser may not sell marijuana received from any person other than a licensed producer or licensed processor of marijuana products, or sell or deliver marijuana to any person other than a qualifying patient, designated provider, or licensed producer except as provided by court order. Before selling or providing marijuana to a qualifying patient or designated provider, the licensed dispenser must confirm that the patient qualifies for the medical use of marijuana by contacting that patient's health care professional. Violation of this section is a class C felony punishable according to chapter 9A.20 RCW.

NEW SECTION. **Sec. 704.** A license to operate as a licensed dispenser is not transferrable.

NEW SECTION. **Sec. 705.** The secretary of health shall not issue or renew a license to an applicant or licensed dispenser located within five hundred feet of a community center, child care center, or elementary or secondary school or another licensed dispenser.

PART VIII

MISCELLANEOUS PROVISIONS APPLYING TO ALL

LICENSED PRODUCERS, PROCESSORS, AND DISPENSERS

NEW SECTION. **Sec. 801.** All weighing and measuring instruments and devices used by licensed producers, processors of marijuana products, and dispensers shall comply with the requirements set forth in chapter 19.94 RCW.

NEW SECTION. **Sec. 802.** (1) No person, partnership, corporation, association, or agency may advertise marijuana for sale to the general public in any manner that promotes or tends to promote the use or abuse of marijuana. For the purposes of this subsection, displaying marijuana, including artistic depictions of marijuana, is considered to promote or to tend to promote the use or abuse of marijuana.

(2) The department of agriculture may fine a licensed producer or processor of marijuana products up to one thousand dollars for each violation of subsection (1) of this section. Fines collected under this subsection must be deposited into the agriculture local fund created in RCW 43.23.230.

(3) The department of health may fine a licensed dispenser up to one thousand dollars for each violation of subsection (1) of this section. Fines collected under this subsection must be deposited into the health professions account created in RCW 43.70.320.

(4) No broadcast television licensee, radio broadcast licensee, newspaper, magazine, advertising agency, or agency or medium for the dissemination of an advertisement, except the licensed producer, processor of marijuana products, or dispenser to which the advertisement relates, is subject to the penalties of this section by reason of dissemination of advertising in good faith without knowledge that the advertising promotes or tends to promote the use or abuse of marijuana.

NEW SECTION. **Sec. 803.** (1) A prior conviction for a marijuana offense shall not disqualify an applicant from receiving a license to produce, process, or dispense marijuana for medical use, provided the conviction did not include any sentencing enhancements under RCW 9.94A.533 or analogous laws in other jurisdictions. Any criminal conviction of a current licensee may be considered in proceedings to suspend or revoke a license.

(2) Nothing in this section prohibits either the department of health or the department of agriculture, as appropriate, from denying, suspending, or revoking the credential of a license holder for other drug-related offenses or any other criminal offenses.

(3) Nothing in this section prohibits a corrections agency or department from considering all prior and current convictions in determining whether the possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, is inconsistent with and contrary to the person's supervision.

NEW SECTION. **Sec. 804.** A violation of any provision or section of this chapter that relates to the licensing and regulation of producers, processors, or dispensers, where no other penalty is provided for, and the violation of any rule adopted under this chapter constitutes a misdemeanor.

NEW SECTION. **Sec. 805.** (1) Every licensed producer or processor of marijuana products who fails to comply with this chapter, or any rule adopted under it, may be subjected to a civil penalty, as determined by the director, in an amount of not more than one thousand dollars for every such violation. Each violation shall be a separate and distinct offense.

(2) Every licensed dispenser who fails to comply with this chapter, or any rule adopted under it, may be subjected to a civil penalty, as determined by the secretary, in an amount of not more than one thousand dollars for every such violation. Each violation shall be a separate and distinct offense.

(3) Every person who, through an act of commission or omission, procures, aids, or abets in the violation shall be considered to have violated this chapter and may be subject to the penalty provided for in this section.

NEW SECTION. **Sec. 806.** The department of agriculture or the department of health, as the case may be, must immediately suspend any certification of licensure issued under this chapter if the holder of the certificate has been certified under 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 certification during the suspension, reissuance of the certificate of licensure shall be automatic upon the department's receipt of a release issued by the department of social and health services stating that the person is in compliance with the order.

NEW SECTION. **Sec. 807.** The department of agriculture or the department of health, as the case may be, must suspend the certification of licensure of any person who has been certified by a lending agency and reported to the appropriate department for nonpayment or default on a federally or state-guaranteed educational loan or service-conditional scholarship. Prior to the suspension, the department of agriculture or the department of health, as the case may be, must provide the person an opportunity for a brief adjudicative proceeding under RCW 34.05.485 through 34.05.494 and issue a finding of nonpayment or default on a federally or state-guaranteed educational loan or service-conditional scholarship. The person's license may not be reissued until the person provides the appropriate department a written release issued by the lending agency stating that the person is making payments on the loan in accordance with a repayment agreement approved by the lending agency. If the person has continued to meet all other requirements for certification or registration during the suspension, reinstatement is automatic upon receipt of the notice and payment of any reinstatement fee.

PART IX
SECURE REGISTRATION OF QUALIFYING PATIENTS, DESIGNATED PROVIDERS, AND LICENSED PRODUCERS, PROCESSORS, AND DISPENSERS

NEW SECTION. **Sec. 901.** (1) By January 1, 2013, the department of health shall, in consultation with the department of agriculture, adopt rules for the creation, implementation, maintenance, and timely upgrading of a secure and confidential registration system that allows:

(a) A peace officer to verify at any time whether a health care professional has registered a person who has been contacted by that peace officer and has provided that peace officer information necessary to verify his or her registration as either a qualifying patient or a designated provider; and

(b) A peace officer to verify at any time whether a person, location, or business is licensed by the department of agriculture or the department of health as a licensed producer, licensed processor of marijuana products, or licensed dispenser.

(2) The department of agriculture must, in consultation with the department of health, create and maintain a secure and confidential list of persons to whom it has issued a license to produce marijuana for medical use or a license to process marijuana products, and the physical addresses of the licensees' production and processing facilities. The list must meet the requirements of subsection (9) of this section and be transmitted to the department of health to be included in the registry established by this section.

(3) The department of health must, in consultation with the department of agriculture, create and maintain a secure and confidential list of the persons to whom it has issued a license to dispense marijuana for medical use that meets the requirements of subsection (9) of this section and must be included in the registry established by this section.

(4) Before seeking a search warrant or arrest warrant, a peace officer investigating a marijuana-related incident must make reasonable efforts to ascertain whether the location or person under investigation is registered in the registration system, and include the

results of this inquiry in the affidavit submitted in support of the application for the warrant. This requirement does not apply to investigations in which the peace officer has observed evidence of any of the following circumstances:

(a) An apparent for profit operation that is not a licensed producer, processor of marijuana products, or dispenser;

(b) Theft of electrical power;

(c) Other illegal drugs at the premises;

(d) Frequent and numerous short-term visits over an extended period that are consistent with commercial activity, if the subject of the investigation is not a licensed dispenser;

(e) Violent crime or other demonstrated dangers to the community;

(f) Probable cause to believe the subject of the investigation has committed a felony, or a misdemeanor in the officer's presence, that does not relate to marijuana; or

(g) An outstanding arrest warrant for the subject of the investigation.

(5) Law enforcement may access the registration system only in connection with a specific, legitimate criminal investigation regarding marijuana.

(6) Registration in the system shall be optional for qualifying patients and designated providers, not mandatory, and registrations are valid for one year, except that qualifying patients must be able to remove themselves from the registry at any time. For licensees, registrations are valid for the term of the license and the registration must be removed if the licensee's license is expired or revoked. The department of health must adopt rules providing for registration renewals and for removing expired registrations and expired or revoked licenses from the registry.

(7) Fees, including renewal fees, for qualifying patients and designated providers participating in the registration system shall be limited to the cost to the state of implementing, maintaining, and enforcing the provisions of this section and the rules adopted to carry out its purposes. The fee shall also include any costs for the department of health to disseminate information to employees of state and local law enforcement agencies relating to whether a person is a licensed producer, processor of marijuana products, or dispenser, or that a location is the recorded address of a license producer, processor of marijuana products, or dispenser, and for the dissemination of log records relating to such requests for information to the subjects of those requests. No fee may be charged to local law enforcement agencies for accessing the registry.

(8) During the rule-making process, the department of health shall consult with 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.

(9) The registration system shall meet the following requirements:

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

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

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

(10) The registration system shall maintain a log of each verification query submitted by a peace officer, including the peace officer's name, agency, and identification number, for a period of no less than three years from the date of the query. Personally identifiable information of qualifying patients and designated providers included in the log shall be confidential and exempt from public disclosure, inspection, or copying under chapter 42.56 RCW: PROVIDED, That:

(a) Names and other personally identifiable information from the list may be released only to:

(i) Authorized employees of the department of agriculture and the department of health as necessary to perform official duties of either department; or

(ii) Authorized employees of state or local law enforcement agencies, only as necessary to verify that the person or location is a qualified patient, designated provider, licensed producer, licensed processor of marijuana products, or licensed dispenser, and only after the inquiring employee has provided adequate identification. Authorized employees who obtain personally identifiable information under this subsection may not release or use the information for any purpose other than verification that a person or location is a qualified patient, designated provider, licensed producer, licensed processor of marijuana products, or licensed dispenser;

(b) Information contained in the registration system 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) The subject of a registration query may appear during ordinary department of health business hours and inspect or copy log records relating to him or her upon adequate proof of identity; and

(d) The subject of a registration query may submit a written request to the department of health, along with adequate proof of identity, for copies of log records relating to him or her.

(11) This section does not prohibit a department of agriculture employee or a department of health employee from contacting state or local law enforcement for assistance during an emergency or while performing his or her duties under this chapter.

(12) Fees collected under this section must be deposited into the health professions account under RCW 43.70.320.

NEW SECTION. **Sec. 902.** A new section is added to chapter 42.56 RCW to read as follows:

Records containing names and other personally identifiable information relating to qualifying patients, designated providers, and persons licensed as producers or dispensers of marijuana for medical use, or as processors of marijuana products, under section 901 of this act are exempt from disclosure under this chapter.

PART X

EVALUATION

NEW SECTION. **Sec. 1001.** (1) By July 1, 2014, the Washington state institute for public policy shall, within available funds, conduct a cost-benefit evaluation of the implementation of this act and the rules adopted to carry out its purposes.

(2) The evaluation of the implementation of this act and the rules adopted to carry out its purposes shall include, but not necessarily be limited to, consideration of the following factors:

(a) Qualifying patients' access to an adequate source of marijuana for medical use;

(b) Qualifying patients' access to a safe source of marijuana for medical use;

(c) Qualifying patients' access to a consistent source of marijuana for medical use;

(d) Qualifying patients' access to a secure source of marijuana for medical use;

(e) Qualifying patients' and designated providers' contact with law enforcement and involvement in the criminal justice system;

(f) Diversion of marijuana intended for medical use to nonmedical uses;

(g) Incidents of home invasion burglaries, robberies, and other violent and property crimes associated with qualifying patients accessing marijuana for medical use;

(h) Whether there are health care professionals who make a disproportionately high amount of authorizations in comparison to the health care professional community at large;

(i) Whether there are indications of health care professionals in violation of RCW 69.51A.030; and

(j) Whether the health care professionals making authorizations reside in this state or out of this state.

(3) For purposes of facilitating this evaluation, the departments of health and agriculture will make available to the Washington state institute for public policy requested data, and any other data either department may consider relevant, from which all personally identifiable information has been redacted.

NEW SECTION. **Sec. 1002.** A new section is added to chapter 28B.20 RCW to read as follows:

The University of Washington and Washington State University may conduct scientific research on the efficacy and safety of administering marijuana as part of medical treatment. As part of this research, the University of Washington and Washington State University may develop and conduct studies to ascertain the general medical safety and efficacy of marijuana and may develop medical guidelines for the appropriate administration and use of marijuana.

PART XI
CONSTRUCTION

NEW SECTION. **Sec. 1101.** (1) No civil or criminal liability may be imposed by any court on the state or its officers and employees for actions taken in good faith under this chapter and within the scope of their assigned duties.

(2) No civil or criminal liability may be imposed by any court on cities, towns, and counties or other municipalities and their officers and employees for actions taken in good faith under this chapter and within the scope of their assigned duties.

NEW SECTION. **Sec. 1102.** Cities, towns, and counties or other municipalities may adopt and enforce reasonable zoning requirements, business licensing requirements, health and safety requirements, or business taxes pertaining to the production, processing, or dispensing of marijuana products within their jurisdiction. Any zoning requirements must be coordinated among jurisdictions within a county so that the county can meet the licensed dispenser allocation established by the department of health under section 702 of this act.

NEW SECTION. **Sec. 1103.** If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

NEW SECTION. **Sec. 1104.** (1) The search, arrest, and prosecution protections and affirmative defenses established in sections 405, 406, and 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 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 and sections 403 and 413 of this act do not apply to a person who is supervised for a criminal conviction by a corrections agency or department 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 marijuana 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 that has determined that licensure is inconsistent with and contrary to his or her supervision.

PART XII
MISCELLANEOUS

NEW SECTION. **Sec. 1201.** (1) The legislature recognizes that there are marijuana producers and marijuana dispensaries in operation as of the effective date of this section that are unregulated by the state and who produce and dispense marijuana for medical use by qualifying patients. The legislature intends that these producers and dispensaries become licensed in accordance with the requirements of this chapter and that this licensing provides them with arrest protection so long as they remain in compliance with the requirements of this chapter and the rules adopted under this chapter. The legislature further recognizes that marijuana producers and marijuana dispensaries in current operation are not able to become licensed until the department of agriculture and the department of health adopt rules and, consequently, it is likely they will remain unlicensed until at least January 1, 2013. These producers and dispensary owners and operators run the risk of arrest between the effective date of this section and the time they become licensed. Therefore, the legislature intends to provide them with an affirmative defense if they meet the requirements of this section.

(2) If charged with a violation of state law relating to marijuana, a producer of marijuana or a dispensary and its owners and operators that are engaged in the production or dispensing of marijuana to a qualifying patient or who assists a qualifying patient in the medical use of marijuana is deemed to have established an affirmative defense to such charges by proof of compliance with this section.

(3) In order to assert an affirmative defense under this section, a marijuana producer or marijuana dispensary must:

(a) In the case of producers, solely provide marijuana to marijuana dispensaries for the medical use of marijuana by qualified patients;

(b) In the case of dispensaries, solely provide marijuana to qualified patients for their medical use;

(c) Be registered with the secretary of state as of May 1, 2011;

(d) File a letter of intent with the department of agriculture or the department of health, as the case may be, asserting that the producer or dispenser intends to become licensed in accordance with this chapter and rules adopted by the appropriate department; and

(e) File a letter of intent with the city clerk if in an incorporated area or to the county clerk if in an unincorporated area stating they operate as a producer or dispensary and that they comply with the provisions of this chapter and will comply with subsequent department rule making.

(4) Upon receiving a letter of intent under subsection (3) of this section, the department of agriculture, the department of health, and the city clerk or county clerk must send a letter of acknowledgment to the producer or dispenser. The producer and dispenser must display this letter of acknowledgment in a prominent place in their facility.

(5) Letters of intent filed with a public agency, letters of acknowledgement sent from those agencies, and other materials related to such letters are exempt from public disclosure under chapter 42.56 RCW.

(6) This section expires upon the establishment of the licensing programs of the department of agriculture and the department of health and the commencement of the issuance of licenses for dispensers and producers as provided in this chapter. The department and the department of agriculture shall notify the code reviser when the establishment of the licensing programs has occurred.

NEW SECTION. **Sec. 1202.** A new section is added to chapter 42.56 RCW to read as follows:

The following information related to marijuana producers and marijuana dispensers are exempt from disclosure under this section:

(1) Letters of intent filed with a public agency under section 1201 of this act;

(2) Letters of acknowledgement sent from a public agency under section 1201 of this act;

(3) Materials related to letters of intent and acknowledgement under section 1201 of this act.

NEW SECTION. **Sec. 1203.** (1)(a) On July 1, 2015, the department of health shall report the following information to the state treasurer:

(i) The expenditures from the health professions account related to the administration of chapter 69.51A RCW between the effective date of this section and June 30, 2015; and

(ii) The amounts deposited into the health professions account under sections 702, 802, and 901 of this act between the effective date of this section and June 30, 2015.

(b) If the amount in (a)(i) of this subsection exceeds the amount in (a)(ii) of this subsection, the state treasurer shall transfer an amount equal to the difference from the general fund to the health professions account.

(2)(a) Annually, beginning July 1, 2016, the department of health shall report the following information to the state treasurer:

(i) The expenditures from the health professions account related to the administration of chapter 69.51A RCW for the preceding fiscal year; and

(ii) The amounts deposited into the health professions account under sections 702, 802, and 901 of this act during the preceding fiscal year.

(b) If the amount in (a)(i) of this subsection exceeds the amount in (a)(ii) of this subsection, the state treasurer shall transfer an amount equal to the difference from the general fund to the health professions account.

NEW SECTION. **Sec. 1204.** RCW 69.51A.080 (Adoption of rules by the department of health--Sixty-day supply for qualifying patients) and 2007 c 371 s 8 are each repealed.

NEW SECTION. **Sec. 1205.** Sections 402 through 411, 413, 601 through 611, 701 through 705, 801 through 807, 901, 1001, 1101 through 1104, and 1201 of this act are each added to chapter 69.51A RCW.

NEW SECTION. **Sec. 1206.** Section 1002 of this act takes effect January 1, 2013."

Representative Ahern spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (619) was not adopted.

Representative Bailey moved the adoption of amendment (626) to the committee amendment.

On page 1 of the striking amendment, strike all material after line 2 and insert the following:

"PART I
LEGISLATIVE DECLARATION AND INTENT

NEW SECTION. **Sec. 101.** (1) The legislature intends to give full effect to the initiative that authorized the use of medical cannabis in a manner that maintains access for patients while protecting the safety of those who grow, distribute and consume cannabis for medical use. While recognizing the limits of federal law, the state intends to establish a controlled system for the production and sale of cannabis for medical use to allow for legitimate uses of medical cannabis and reducing its use for illegal purposes.

(2) The legislature intends to amend and clarify the law on the medical use of cannabis so that:

(a) Qualifying patients and designated providers complying with the terms of this act and registering with the department of health will no longer be subject to arrest or prosecution, other criminal sanctions, or civil consequences based solely on their medical use of cannabis;

(b) Qualifying patients will have access to an adequate, safe, consistent, and secure source of medical quality cannabis; and

(c) Health care professionals may authorize the medical use of cannabis in the manner provided by this act without fear of state criminal or civil sanctions.

(3) This act is not intended to amend or supersede Washington state law prohibiting the acquisition, possession, manufacture, sale, or use of cannabis for nonmedical purposes.

(4) This act is not intended to compromise community safety. State, county, or city correctional agencies or departments shall retain the authority to establish and enforce terms for those on active supervision.

Sec. 102. RCW 69.51A.005 and 2010 c 284 s 1 are each amended to read as follows:

(1) The ((~~people of Washington state~~)) legislature finds that:

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

(i) Nausea ((~~and~~)), vomiting ((~~in cancer patients; AIDS-wasting syndrome~~)), 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; ((~~epilepsy;~~))

(iii) Acute or chronic glaucoma;

(iv) Crohn's disease; and

(v) Some forms of intractable pain.

((~~The people find that~~)) (b) Humanitarian compassion necessitates that the decision to ((~~authorize the medical~~)) use ((~~of marijuana~~)) cannabis by patients with terminal or debilitating ((~~illnesses~~)) medical conditions is a personal, individual decision, based upon their health care professional's professional medical judgment and discretion.

(2) Therefore, the ((~~people of the state of Washington~~)) legislature intends that:

(a) Qualifying patients with terminal or debilitating ((~~illnesses~~)) medical conditions who, in the judgment of their health care professionals, may benefit from the medical use of ((~~marijuana~~)) cannabis, shall not be ((~~found guilty of a crime under state law for their possession and limited use of marijuana~~)) arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law based solely on their medical use of cannabis, notwithstanding any other provision of law;

(b) Persons who act as designated providers to such patients shall also not be ((~~found guilty of a crime under state law for~~)) arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law, notwithstanding any other provision of law, based solely on their assisting with the medical use of ((~~marijuana~~)) cannabis; and

(c) Health care professionals shall also ((~~be excepted from liability and prosecution~~)) not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law for the proper authorization of ((~~marijuana~~)) medical use ((~~to~~)) of cannabis by qualifying patients for whom, in the health care professional's professional judgment, the medical ((~~marijuana~~)) use of cannabis may prove beneficial.

(3) Nothing in this chapter establishes the medical necessity or medical appropriateness of cannabis for treating terminal or debilitating medical conditions as defined in RCW 69.51A.010.

(4) Nothing in this chapter diminishes the authority of correctional agencies and departments, including local governments or jails, to establish a procedure for determining when the use of

cannabis would impact community safety or the effective supervision of those on active supervision for a criminal conviction, nor does it create the right to any accommodation of any medical use of cannabis in any correctional facility or jail.

Sec. 103. RCW 69.51A.020 and 1999 c 2 s 3 are each amended to read as follows:

Nothing in this chapter shall be construed to supersede Washington state law prohibiting the acquisition, possession, manufacture, sale, or use of ((~~marijuana~~)) cannabis for nonmedical purposes. Criminal penalties created under this act do not preclude the prosecution or punishment for other crimes, including other crimes involving the manufacture or delivery of cannabis for nonmedical purposes.

PART II
DEFINITIONS

Sec. 201. RCW 69.51A.010 and 2010 c 284 s 2 are each amended to read as follows:

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

(1) "Cannabis" means all parts of the plant *Cannabis*, whether growing or not; 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. For the purposes of this chapter, "cannabis" 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 resinextracted therefrom, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. The term "cannabis" includes cannabis products and useable cannabis.

(2) "Cannabis analysis laboratory" means a laboratory that performs chemical analysis and inspection of cannabis samples.

(3) "Cannabis products" means products that contain cannabis or cannabis extracts, have a measurable THC concentration greater than three-tenths of one percent, and are intended for human consumption or application, including, but not limited to, edible products, tinctures, and lotions. The term "cannabis products" does not include useable cannabis. The definition of "cannabis products" as a measurement of THC concentration only applies to the provisions of this chapter and shall not be considered applicable to any criminal laws related to marijuana or cannabis.

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

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

(6) "Designated provider" means a person who:

(a) Is eighteen years of age or older;

(b) Has been designated in ((~~writing~~)) a written document signed and dated by a qualifying patient to serve as a designated provider under this chapter; and

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

(d) Is the designated provider to only one patient at any one time.

(2))) in compliance with the terms and conditions set forth in RCW 69.51A.040.

A qualifying patient may be the designated provider for another qualifying patient and be in possession of both patients' cannabis at the same time.

(7) "Director" means the director of the department of agriculture.

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

(9) "Dispensing facility" means the premises and equipment operated by the department of health where cannabis products are sold at retail to qualifying patients and designated providers.

(10) "Health care professional," for purposes of this chapter only, means a physician licensed under chapter 18.71 RCW, a physician assistant licensed under chapter 18.71A RCW, an osteopathic physician licensed under chapter 18.57 RCW, an osteopathic physicians' assistant licensed under chapter 18.57A RCW, a naturopath licensed under chapter 18.36A RCW, or an advanced registered nurse practitioner licensed under chapter 18.79 RCW.

(((~~(3)~~))) (11) "Jail" has the same meaning as provided in RCW 70.48.020.

(12) "Labeling" means all labels and other written, printed,or graphic matter (a) upon any cannabis intended for medical use, or (b) accompanying such cannabis.

(13) "Medical use of ((~~marijuana~~)) cannabis" means the manufacture, production, processing, possession, transportation, delivery, dispensing, ingestion, application, or administration of ((~~marijuana, as defined in RCW 69.50.101(q),~~)) cannabis for the exclusive benefit of a qualifying patient in the treatment of his or her terminal or debilitating ((~~illness~~)) medical condition.

(((~~(4)~~))) (14) "Nonresident" means a person who is temporarily in the state but is not a Washington state resident.

(15) "Peace officer" means any law enforcement personnel as defined in RCW 43.101.010.

(16) "Person" means an individual or an entity.

(17) "Personally identifiable information" means any information that includes, but is not limited to, data that uniquely identify, distinguish, or trace a person's identity, such as the person's name, date of birth, or address, either alone or when combined with other sources, that establish the person is a qualifying patient, designated provider, licensed producer, or licensed processor of cannabis products for purposes of registration with the department of health or department of agriculture. The term "personally identifiable information" also means any information used by the department of health or department of agriculture to identify a person as a qualifying patient, designated provider, licensed producer, or licensed processor of cannabis products.

(18) "Plant" means an organism 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 shall be considered part of the same single plant.

(19) "Process" means to handle or process cannabis in preparation for medical use.

(20) "Processing facility" means the premises and equipment operated by the department of agriculture where cannabis products are manufactured, processed, handled, and labeled for wholesale to a dispensing facility.

(21) "Produce" means to plant, grow, or harvest cannabis for medical use.

(22) "Production facility" means the premises and equipment operated by the department of agriculture where cannabis is planted, grown, harvested, processed, stored, handled, packaged, or labeled by a licensed producer for wholesale, delivery, or transportation to a dispensing facility or processing facility, and all vehicles and equipment used to transport cannabis from a licensed production facility to a dispensing facility or processing facility.

(23) "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance halls

and grounds adjacent thereto; premises where goods and services are offered to the public for retail sale; public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theatres, stores, garages, and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, buses, ferries, and other public conveyances of all kinds and character, and the depots, stops, and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

(24) "Qualifying patient" means a person who:

(a)(i) Is a patient of a health care professional;

(((b))) (ii) Has been diagnosed by that health care professional as having a terminal or debilitating medical condition;

(((c))) (iii) Is a resident of the state of Washington at the time of such diagnosis;

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

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

(vi) Is otherwise in compliance with the terms and conditions established in this chapter.

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

(((5))) (25) "Secretary" means the secretary of health.

(26) "Tamper-resistant paper" means paper that meets one or more of the following industry-recognized features:

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

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

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

(((6))) (27) "Terminal or debilitating medical condition" means:

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

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

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

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

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

(f) Diseases, including anorexia, which result in nausea, vomiting, ((wasting)) cachexia, appetite loss, cramping, seizures, muscle 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.

(((7))) (28) "THC concentration" means percent of tetrahydrocannabinol content per weight or volume of useable cannabis or cannabis product.

(29) "Useable cannabis" means dried flowers of the *Cannabis* plant having a THC concentration greater than three-tenths of one percent. Useable cannabis excludes stems, stalks, leaves, seeds, and roots. For purposes of this subsection, "dried" means containing less than fifteen percent moisture content by weight. The term "useable cannabis" does not include cannabis products.

(30)(a) Until January 1, 2013, "valid documentation" 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)) cannabis; ((and

(b))) (ii) Proof of identity such as a Washington state driver's license or identicard, as defined in RCW 46.20.035; and

(iii) In the case of a designated provider, the signed and dated document valid for one year from the date of signature executed by the qualifying patient who has designated the provider; and

(b) Beginning July 1, 2012, "valid documentation" means:

(i) An original statement signed and dated by a qualifying patient's health care professional written on tamper-resistant paper and valid for up to one year from the date of the health care professional's signature, which states that, in the health care professional's professional opinion, the patient may benefit from the medical use of cannabis;

(ii) Proof of identity such as a Washington state driver's license or identicard, as defined in RCW 46.20.035; and

(iii) In the case of a designated provider, the signed and dated document valid for up to one year from the date of signature executed by the qualifying patient who has designated the provider.

PART III

PROTECTIONS FOR HEALTH CARE PROFESSIONALS

Sec. 301. RCW 69.51A.030 and 2010 c 284 s 3 are each amended to read as follows:

((A health care professional shall be excepted from the state's criminal laws and shall not be penalized in any manner, or denied any right or privilege, for)) (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:

(((1))) (a) Advising a ((qualifying)) patient about the risks and benefits of medical use of ((marijuana)) cannabis or that the ((qualifying)) patient may benefit from the medical use of ((marijuana where such use is within a professional standard of care or in the individual health care professional's medical judgment)) cannabis; or

(((2))) (b) Providing a ((qualifying)) patient meeting the criteria established under RCW 69.51A.010(26) with valid documentation, based upon the health care professional's assessment of the ((qualifying)) patient's medical history and current medical condition, ((that the medical use of marijuana may benefit a particular qualifying patient)) where such use is within a professional standard of care or in the individual health care professional's medical judgment.

(2)(a) A health care professional may only provide a patient with valid documentation authorizing 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 documented relationship with the patient relating to the diagnosis and ongoing treatment or monitoring of the patient's terminal or debilitating medical condition, and only after:

(i) Completing a physical examination of the patient as appropriate, based on the patient's condition and age;

(ii) Documenting 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;

(iii) Informing the patient of other options for treating the

terminal or debilitating medical condition; and

(iv) Documenting other measures attempted to treat the terminal ordebilitating medical condition that do not involve the medical use of cannabis.

(b) 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;

(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;

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

(iv) Have a business or practice which consists solely of authorizing the medical use of cannabis;

(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; or

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

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

PART IV

PROTECTIONS FOR QUALIFYING PATIENTS AND DESIGNATED PROVIDERS

Sec. 401. RCW 69.51A.040 and 2007 c 371 s 5 are each amended to read as follows:

(((1) If a law enforcement officer determines that marijuana is being possessed lawfully under the medical marijuana law, the officer may document the amount of marijuana, take a representative sample that is large enough to test, but not seize the marijuana. A law enforcement officer or agency shall not be held civilly liable for failure to seize marijuana in this circumstance.

(2) If charged with a violation of state law relating to marijuana, any qualifying patient who is engaged in the medical use of marijuana, or any designated provider who assists a qualifying patient in the medical use of marijuana, will be deemed to have established an affirmative defense to such charges by proof of his or her compliance with the requirements provided in this chapter. Any person meeting the requirements appropriate to his or her status under this chapter shall be considered to have engaged in activities permitted by this chapter and shall not be penalized in any manner, or denied any right or privilege, for such actions.

(3) A qualifying patient, if eighteen years of age or older, or a designated provider shall:

(a) Meet all criteria for status as a qualifying patient or designated provider;

(b) Possess no more marijuana than is necessary for the patient's personal, medical use, not exceeding the amount necessary for a sixty- day supply; and

(c) Present his or her valid documentation to any law enforcement official who questions the patient or provider regarding his or her medical use of marijuana.

(4) A qualifying patient, if under eighteen years of age at the time he or she is alleged to have committed the offense, shall demonstrate compliance with subsection (3)(a) and (c) of this section. However, any possession under subsection (3)(b) of this section, as well as any production, acquisition, and decision as to dosage and frequency of use, shall be the responsibility of the parent or legal guardian of the qualifying patient.)) The medical use of cannabis 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, searched, prosecuted, or subject to other criminal sanctions or civil consequences for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, cannabis under state law, or have real or personal property searched, seized, or forfeited for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, cannabis under state law, and investigating peace officers and law enforcement agencies maynot be held civilly liable for failure to seize cannabis in this circumstance, if:

(1)(a) The qualifying patient or designated provider 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.

(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, whether the plants, useable cannabis, and cannabis product are possessed individually or in combination between the qualifying patient and his or her designated provider;

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

(3) 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 and the qualifying patient or designated provider's contact information posted prominently next to any cannabis plants, cannabis products, or useable cannabis located at his or her residence;

(4) The investigating peace officer does not possess evidence that the designated provider has converted cannabis produced or obtained for the qualifying patient for his or her own personal use or benefit; and

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

NEW SECTION. **Sec. 402.** (1) A qualifying patient or designated provider who is not registered with the registry established in section 901 of this act may not be taken into custody or booked into jail on the grounds of his or her medical use of cannabis prior to conviction, and 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 officer who questions the patient or provider regarding his or her medical use of cannabis;

(b) The qualifying patient or designated provider possesses no more cannabis than the limits set forth in RCW 69.51A.040(1);

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

(d) The investigating peace 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; and

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

(2) A qualifying patient or designated provider who is not registered with the registry established in section 901 of this act, but who presents his or her valid documentation to any peace officer who questions the patient or provider regarding his or her medical use of cannabis, may assert an affirmative defense to charges of violations of state law relating to cannabis 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 than the limits set forth in RCW 69.51A.040(1) may, in the investigating peace officer's discretion, be taken into custody and booked into jail in connection with the investigation of the incident.

NEW SECTION. **Sec. 403.** (1) A qualifying patient may revoke his or her designation of a specific provider and designate a different provider at any time. A revocation of designation must be in writing, signed and dated. 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. 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.

NEW SECTION. **Sec. 404.** A qualifying patient or designated provider in possession of cannabis plants, useable cannabis, or cannabis product exceeding the limits set forth in RCW 69.51A.040(1) 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 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(1). An investigating peace officer may seize cannabis plants, useable cannabis, or cannabis product exceeding the amounts set forth in RCW 69.51A.040(1): PROVIDED, That 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 in this circumstance.

NEW SECTION. **Sec. 405.** A qualifying patient or designated provider who is not registered with the registry established in section 901 of this act or does not present his or her valid documentation to a peace officer who questions the patient or provider regarding his or her medical use of cannabis but is 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 through proof at trial, by a preponderance of the evidence, that he or she was a validly authorized qualifying patient or designated provider at the time of the officer's questioning. A qualifying patient or designated provider who establishes an affirmative defense under the terms of this section may also establish an affirmative defense under section 405 of this act.

NEW SECTION. **Sec. 406.** A nonresident who is duly authorized to engage in the medical use of cannabis under the laws of another state or territory of the United States may raise an affirmative defense to charges of violations of Washington state law relating to cannabis, provided that the nonresident:

(1) Possesses no more than fifteen cannabis plants and no more than twenty-four ounces of useable cannabis, no more cannabis product than reasonably could be produced with no more than twenty-four ounces of useable cannabis, or 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;

(2) Is in compliance with all provisions of this chapter other than requirements relating to being a Washington resident or possessing valid documentation issued by a licensed health care professional in Washington; and

(3) Presents the documentation of authorization required under the nonresident's authorizing state or territory's law and proof of identity issued by the authorizing state or territory to any peace officer who questions the nonresident regarding his or her medical use of cannabis.

NEW SECTION. **Sec. 407.** A qualifying patient's medical use of cannabis as authorized by a health care professional may not be a sole disqualifying factor in determining the patient's suitability for an organ transplant, unless it is shown that this use poses a significant risk of rejection or organ failure. This section does not preclude a health care professional from requiring that a patient abstain from the medical use of cannabis, for a period of time determined by the health care professional, while waiting for a transplant organ or before the patient undergoes an organ transplant.

NEW SECTION. **Sec. 408.** A qualifying patient or designated provider may not have his or her parental rights or residential time with a child restricted solely due to his or her medical use of cannabis in compliance with the terms of this chapter absent written findings supported by evidence that such use has resulted in a long- term impairment that interferes with the performance of parenting functions as defined under RCW 26.09.004.

NEW SECTION. **Sec. 409.** (1) Except as provided in subsection (2) of this section, a qualifying patient may not be refused housing or evicted from housing solely as a result of his or her possession or use of useable cannabis or cannabis products except that housing providers otherwise permitted to enact and enforce prohibitions against smoking in their housing may apply those prohibitions to smoking cannabis provided that such smoking prohibitions are applied and enforced equally as to the smoking of cannabis and the smoking of all other substances, including without limitation tobacco.

(2) Housing programs containing a program component prohibiting the use of drugs or alcohol among its residents are not required to permit the medical use of cannabis among those residents.

NEW SECTION. **Sec. 410.** In imposing any criminal sentence, deferred prosecution, stipulated order of continuance, deferred disposition, or dispositional order, any court organized under the laws of Washington state may permit the medical use of cannabis in compliance with the terms of this chapter and exclude it as a possible ground for finding that the offender has violated the conditions or requirements of the sentence, deferred prosecution, stipulated order of continuance, deferred disposition, or dispositional order. This section does not require the accommodation of any medical use of cannabis in any correctional facility or jail.

Sec. 411. RCW 69.51A.050 and 1999 c 2 s 7 are each amended to read as follows:

(1) The lawful possession, delivery, dispensing, production, or manufacture of ((~~medical marijuana~~)) cannabis for medical use as authorized by this chapter shall not result in the forfeiture or seizure of any real or personal property including, but not limited to, cannabis intended for medical use, items used to facilitate the medical use of cannabis or its production or dispensing for medical use, or proceeds of sales of cannabis for medical use made by production facilities, processing facilities, and dispensing facilities.

(2) No person shall be prosecuted for constructive possession, conspiracy, or any other criminal offense solely for being in the presence or vicinity of ((~~medical marijuana~~)) cannabis intended for medical use or its use as authorized by this chapter.

(3) The state shall not be held liable for any deleterious outcomes from the medical use of ((~~marijuana~~)) cannabis by any qualifying patient.

PART V
LIMITATIONS ON PROTECTIONS FOR QUALIFYING PATIENTS AND DESIGNATED PROVIDERS

Sec. 501. RCW 69.51A.060 and 2010 c 284 s 4 are each amended to read as follows:

(1) ((It shall be a misdemeanor to use or display medical marijuana in a manner or place which is open to the view of the general public.)) It is unlawful to open a package containing cannabis or consume cannabis in a public place in a manner that presents a reasonably foreseeable risk that another person would see and be able to identify the substance contained in the package or being consumed

as cannabis. A person who violates a provision of this section commits a class 3 civil infraction under chapter 7.80 RCW. This subsection does not apply to licensed dispensers or their employees, members, officers, or directors displaying cannabis to customers on their licensed premises as long as such displays are not visible to members of the public standing or passing outside the premises.

(2) Nothing in this chapter ((~~requires any health insurance provider~~)) 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 ((~~marijuana~~)) cannabis. Such entities may enact coverage or noncoverage criteria or related policies for payment or nonpayment of medical cannabis in their sole discretion.

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

(4) Nothing in this chapter requires any accommodation of any on- site medical use of ((~~marijuana~~)) cannabis in any place of employment, in any school bus or on any school grounds, in any youth center, in any correctional facility, or smoking ((~~medical marijuana~~)) cannabis in any public place ((~~as that term is defined in RCW 70.160.020~~)).

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

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

(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(((~~(7)~~))) (32)(a), or to backdate such documentation to a time earlier than its actual date of execution.

(((~~(6)~~))) (8) No person shall be entitled to claim the ((~~affirmative defense provided in RCW 69.51A.040~~)) protection from search, arrest, and prosecution under RCW 69.51A.040 or protection from search and arrest and the affirmative defense under section 402 of this act for engaging in the medical use of ((~~marijuana~~)) cannabis 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.

PART VI
CANNABIS PRODUCTION FACILITIES AND CANNABIS PRODUCT PROCESSING FACILITIES

NEW SECTION. **Sec. 601.** The department of agriculture shall establish a program for producing and processing cannabis for medical use.

(2) The department of agriculture shall operate production facilities and processing facilities in compliance with the terms of this chapter and rules adopted to enforce and carry out its purposes.

(3) The department of agriculture and its employees may conduct those activities necessary to produce cannabis for medical use, including, manufacturing, planting, cultivating, growing, harvesting, producing, preparing, propagating, processing, packaging, repackaging, transporting, transferring, delivering, labeling, relabeling, wholesaling, or possessing cannabis intended for medical use by qualifying patients, including seeds, seedlings, cuttings, plants, and useable cannabis, and may not be arrested, searched, prosecuted, or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

(4) The department of agriculture and its employees may conduct those activities necessary to process cannabis for medical use including possessing useable cannabis and manufacture, producing, preparing, processing, packaging, repackaging, transporting, transferring, delivering, labeling, relabeling, wholesaling, or possessing cannabis products intended for medical use by qualifying patients, and may not be arrested, searched, prosecuted, or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

NEW SECTION. **Sec. 602.** The director shall:

(1) Administer and carry out the provisions of this chapter relating to producing cannabis and processing cannabis products, and rules adopted under this chapter;

(2) Employ such professional, technical, security, secretarial, clerical, and other assistants as may be necessary to effectively administer this chapter;

(3) Enter into agreements with the commissioner of public lands to designate state-owned property appropriate for the production and processing of cannabis for medical use and to lease those properties and locate production facilities and processing facilities on those sites. If the director determines that there is not adequate state-owned property, he or she may acquire property and facilities necessary to produce and process adequate quantities of cannabis for medical use to the needs of qualifying patients in Washington; and

(5) Enter into agreements with the department of health to deliver cannabis for medical use to department of health operated dispensing facilities and to receive reimbursement from the department of health for costs associated with the administration of cannabis production and processing programs under this chapter.

NEW SECTION. **Sec. 603.** (1) On a schedule determined by the department of agriculture, representative samples of cannabis produced or processed shall be submitted to a cannabis analysis laboratory for grade, condition, cannabinoid profile, THC concentration, other qualitative measurements of cannabis intended for medical use, and other inspection standards determined by the department of agriculture. Any samples remaining after testing must be destroyed by the laboratory or returned to department of agriculture.

(2) The cannabis analysis laboratory must submit copies of the results of this inspection and testing to the department of agriculture on a form developed by the department.

(3) If a representative sample of cannabis tested under this section has a THC concentration of three-tenths of one percent or less, the lot of cannabis the sample was taken from may not be sold for medical use and must be destroyed or sold to a manufacturer of hemp products.

(4) The department of agriculture may contract with a cannabis analysis laboratory to conduct independent inspection and testing of cannabis samples to verify testing results provided under this section.

NEW SECTION. **Sec. 604.** The director may adopt rules on:

(1) Facility standards, including scales, for all production facilities and processing facilities;

(2) Measurements for cannabis intended for medical use, including grade, condition, cannabinoid profile, THC concentration, other qualitative measurements, and other inspection standards for cannabis intended for medical use; and

(3) Methods to identify cannabis intended for medical use so that such cannabis may be readily identified if stolen or removed in violation of the provisions of this chapter from a production facility or processing facility, or if otherwise unlawfully transported.

NEW SECTION. **Sec. 605.** (1) By January 1, 2013, taking into consideration, but not being limited by, the security requirements described in 21 C.F.R. Sec. 1301.71-1301.76, the director shall adopt rules:

(a) On the inspection or grading and certification of grade, grading factors, condition, cannabinoid profile, THC concentration, or other qualitative measurement of cannabis intended for medical use that must be used by cannabis analysis laboratories in section 603 of this act;

(b) Fixing the sizes, dimensions, and safety and security features required of containers to be used for packing, handling, or storing cannabis intended for medical use;

(c) Establishing labeling requirements for cannabis intended for medical use including, but not limited to:

(i) The identification of the production facility that produced the cannabis;

(ii) THC concentration; and

(iii) Information on whether the cannabis was grown using organic, inorganic, or synthetic fertilizers;

(d) Establishing requirements for transportation of cannabis intended for medical use from production facilities to processing facilities and dispensing facilities;

(e) Establishing security requirements for production facilities and processing facilities. These security requirements must consider the safety of the employees as well as the safety of the community surrounding production facilities and processing facilities;

(2) During the rule-making process, the department of agriculture shall consult with 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 department of health.

NEW SECTION. **Sec. 606.** (1) The director shall maintain complete records at all times with respect to all cannabis produced, processed, weighed, tested, stored, shipped, or sold at each production facility or processing facility. The director shall adopt rules specifying the minimum recordkeeping requirements necessary to comply with this section.

(2) The property, books, records, accounts, papers, and proceedings of every production facility and processing facility shall be subject to inspection by the state auditor's office at any time during ordinary business hours. Production facilities and processing facilities shall maintain adequate records and systems for the filing and accounting of crop production, product manufacturing and processing, records of weights and measurements, product testing, receipts, canceled receipts, other documents, and transactions necessary or common to the medical cannabis industry.

(3) The director shall report information to the state auditor's office at such times and as may be reasonably required by the state auditor for the necessary operation of a sound, reasonable, and efficient cannabis production and processing program for the protection of the health and welfare of qualifying patients and the preservation and accountability of the program as a system only to be accessed by patients.

(4) The state auditor may request that the director:

(a) Submit his or her books, papers, or property to lawful inspection or audit;

(b) Submit required laboratory results, reports, or documents; or

(c) Furnish the state auditor's office with requested information.

NEW SECTION. **Sec. 607.** (1) Production facilities and processing facilities may not sell or deliver cannabis to any person other than a cannabis analysis laboratory, production facility, processing facility, dispensing facility, or law enforcement officer except as provided by court order.

PART VII

CANNABIS DISPENSING FACILITIES

NEW SECTION. **Sec. 701.** (1) The department of health shall establish a program for dispensing cannabis medical use.

(2) The department of health shall operate dispensing facilities in compliance with the terms of this chapter and rules adopted to enforce and carry out its purposes.

(3) The department of health and its employees may conduct those activities necessary to dispense cannabis for medical use, including delivering, distributing, dispensing, transferring, preparing, packaging, repackaging, labeling, relabeling, selling at retail, or possessing cannabis intended for medical use by qualifying patients, including seeds, seedlings, cuttings, plants, useable cannabis, and cannabis products, and may not be arrested, searched, prosecuted, or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

NEW SECTION. **Sec. 702.** The secretary shall:

(1) Administer and carry out the provisions of this chapter relating to dispensing cannabis and cannabis products, and rules adopted under this chapter;

(2) Employ such professional, technical, security, secretarial, clerical, and other assistants as may be necessary to effectively administer this chapter;

(3) Acquire property and facilities necessary to dispense adequate quantities of cannabis for medical use to the needs of qualifying patients in Washington. The secretary may enter into agreements with other agencies that maintain publicly-operated properties to locate dispensing facilities;

(4) Enter into agreements with the department of agriculture to receive supplies of cannabis for medical use for sale at department of health operated facilities and to reimburse the department of agriculture for its costs associated with administering its cannabis production and processing program under this chapter; and

(5) Establish prices for cannabis and cannabis products for sale to qualifying patients and designated providers at a sufficient level to defray the costs of the department of health and the department of agriculture for administering the programs established in this chapter.

NEW SECTION. **Sec. 703.** (1) By January 1, 2013, taking into consideration the security requirements described in 21 C.F.R. 1301.71- 1301.76, the secretary of health shall adopt rules:

(a) Establishing requirements for the dispensing facilities, setting forth standards for the number and siting determinations;

(b) Establishing recordkeeping requirements for dispensing facilities;

(c) Fixing the sizes and dimensions of containers to be used for dispensing cannabis for medical use;

(d) Establishing safety standards for containers to be used for dispensing cannabis for medical use;

(e) Establishing cannabis storage requirements, including security requirements;

(f) Establishing cannabis labeling requirements, to include information on whether the cannabis was grown using organic, inorganic, or synthetic fertilizers;

(g) Establishing physical standards for cannabis dispensing facilities;

(h) Establishing maximum amounts of cannabis and cannabis products that may be kept at one time at a dispensing facility. In determining maximum amounts, the secretary must consider the security of the dispensing facility and the surrounding community;

(i) Establishing physical standards for sanitary conditions for dispensing facilities;

(j) Establishing physical and sanitation standards for cannabis dispensing equipment; and

(k) Enforcing and carrying out the provisions of this section and the rules adopted to carry out its purposes.

(2) During the rule-making process, the department of health shall consult with 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 department of agriculture.

NEW SECTION. **Sec. 704.** A dispensing facility may not sell cannabis received from any person other than a production facility or processing facility operated by the department of agriculture, or sell or deliver cannabis to any person other than a qualifying patient, designated provider, or law enforcement officer except as provided by court order. Before selling or providing cannabis to a qualifying patient or designated provider, dispensing facility must confirm that the patient qualifies for the medical use of cannabis by contacting that patient's health care professional.

NEW SECTION. **Sec. 705.** The secretary shall authorize orders for cannabis for medical use from the department of agriculture.

NEW SECTION. **Sec. 706.** (1) The secretary shall maintain complete records at all times with respect to all cannabis dispensed, received, or sold at each dispensing facility. The secretary shall adopt rules specifying the minimum recordkeeping requirements necessary to comply with this section.

(2) The property, books, records, accounts, papers, and proceedings of every dispensing facility shall be subject to inspection by the state auditor's office at any time during ordinary business hours. Dispensing facilities shall maintain adequate records and systems for the filing and accounting of cannabis and cannabis product stock, records of weights and measurements, product testing, receipts, canceled receipts, other documents, and transactions necessary or common to the medical cannabis industry.

(3) The secretary shall report information to the state auditor's office at such times and as may be reasonably required by the state auditor for the necessary operation of a sound, reasonable, and efficient cannabis dispensing program for the protection of the health and welfare of qualifying patients and the preservation and accountability of the program as a system only to be accessed by patients.

(4) The state auditor may request that the secretary:

(a) Submit his or her books, papers, or property to lawful inspection or audit;

(b) Submit required laboratory results, reports, or documents; or

(c) Furnish the state auditor's office with requested information.

NEW SECTION. **Sec. 707.** The local public health and safety account is created in the state treasury. All receipts from the sales taxes raised at dispensing facilities from the sale of cannabis or cannabis products for medical use must be deposited into the account. Moneys in the account may only be spent after appropriation. Expenditures from the account may be used only for local public health and public safety activities. Each month the state treasurer shall distribute fifty percent of all amounts raised to local health jurisdictions for public health purposes in proportion to the number of residents in the jurisdiction as a part of the state population as a whole and fifty percent of all amounts raised to counties for law enforcement purposes in proportion to the number of residents in the county as a part of the state population as a whole.

PART VIII
PROVISIONS APPLICABLE TO ALL PRODUCTION FACILITIES, PROCESSING FACILITIES, AND DISPENSING FACILITIES

NEW SECTION. **Sec. 801.** All weighing and measuring instruments and devices used by production facilities, processing facilities, and dispensing facilities shall comply with the requirements set forth in chapter 19.94 RCW.

NEW SECTION. **Sec. 802.** All cannabis for medical use shall be produced and processed by the department of agriculture and dispensed by the department of health. Qualifying patients and designated providers may not obtain cannabis for medical use from a source other than a dispensing facility established pursuant to this chapter. Qualifying patients and designated providers must maintain the receipts of all purchases of cannabis for medical use for a two year period.

NEW SECTION. **Sec. 803.** (1) Neither the department of agriculture nor the department of health may advertise cannabis for sale to the general public in any manner that promotes or tends to promote the use or abuse of cannabis. For the purposes of this subsection, displaying cannabis, including artistic depictions of cannabis, is considered to promote or to tend to promote the use or abuse of cannabis.

(2) No broadcast television licensee, radio broadcast licensee, newspaper, magazine, advertising agency, or agency or medium for the dissemination of an advertisement, except the licensed producer, processor of cannabis products, or dispenser to which the advertisement relates, is subject to the penalties of this section by reason of dissemination of advertising in good faith without knowledge that the advertising promotes or tends to promote the use or abuse of cannabis.

PART IX
SECURE REGISTRATION OF QUALIFYING PATIENTS AND DESIGNATED PROVIDERS

NEW SECTION. **Sec. 901.** (1) By January 1, 2013, the department of health shall, in consultation with the department of agriculture, adopt rules for the creation, implementation, maintenance, and timely upgrading of a secure and confidential registration system that allows a peace officer to verify at any time whether a health care professional has registered a person who has been contacted by that peace officer and has provided that peace officer information necessary to verify his or her registration as either a qualifying patient or a designated provider.

(2) Before seeking a search warrant or arrest warrant, a peace officer investigating a cannabis-related incident must make reasonable efforts to ascertain whether the location or person under investigation is registered in the registration system, and include the results of this inquiry in the affidavit submitted in support of the application for the warrant. This requirement does not apply to investigations in which the peace officer has observed evidence of any of the following circumstances:

(a) An apparent for profit operation that is not a licensed producer, processor of cannabis products, or dispenser;

(b) Theft of electrical power;

(c) Other illegal drugs at the premises;

(d) Frequent and numerous short-term visits over an extended period that are consistent with commercial activity, if the subject of the investigation is not a licensed dispenser;

(e) Violent crime or other demonstrated dangers to the community;

(f) Probable cause to believe the subject of the investigation has committed a felony, or a misdemeanor in the officer's presence, that does not relate to cannabis; or

(g) An outstanding arrest warrant for the subject of the investigation.

(3) Law enforcement may access the registration system only in connection with a specific, legitimate criminal investigation regarding cannabis.

(4) Registration in the system shall be optional for qualifying patients and designated providers, not mandatory, and registrations are valid for one year, except that qualifying patients must be able to remove themselves from the registry at any time. The department of health must adopt rules providing for registration renewals.

(5) Fees, including renewal fees, for qualifying patients and designated providers participating in the registration system shall be limited to the cost to the state of implementing, maintaining, and enforcing the provisions of this section and the rules adopted to carry out its purposes. The fee shall also include any costs for the department of health to disseminate information to employees of state and local law enforcement agencies relating to the dissemination of log records regarding such requests for information to the subjects of

those requests. No fee may be charged to local law enforcement agencies for accessing the registry.

(6) During the rule-making process, the department of health shall consult with 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.

(7) The registration system shall meet the following requirements:

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

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

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

(8) The registration system shall maintain a log of each verification query submitted by a peace officer, including the peace officer's name, agency, and identification number, for a period of no less than three years from the date of the query. Personally identifiable information of qualifying patients and designated providers included in the log shall be confidential and exempt from public disclosure, inspection, or copying under chapter 42.56 RCW: PROVIDED, That:

(a) Names and other personally identifiable information from the list may be released only to:

(i) Authorized employees of the department of agriculture and the department of health as necessary to perform official duties of either department; or

(ii) Authorized employees of state or local law enforcement agencies, only as necessary to verify that the person or location is a qualifying patient or designated provider and only after the inquiring employee has provided adequate identification. Authorized employees who obtain personally identifiable information under this subsection may not release or use the information for any purpose other than verification that a person or location is a qualifying patient or designated provider;

(b) Information contained in the registration system 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) The subject of a registration query may appear during ordinary department of health business hours and inspect or copy log records relating to him or her upon adequate proof of identity; and

(d) The subject of a registration query may submit a written request to the department of health, along with adequate proof of identity, for copies of log records relating to him or her.

(9) This section does not prohibit a department of agriculture employee or a department of health employee from contacting state or local law enforcement for assistance during an emergency or while performing his or her duties under this chapter.

(10) Fees collected under this section must be deposited into the health professions account under RCW 43.70.320.

PART X

EVALUATION

NEW SECTION. **Sec. 1001.** (1) By July 1, 2014, the Washington state institute for public policy shall, within available funds, conduct a cost-benefit evaluation of the implementation of this act and the rules adopted to carry out its purposes.

(2) The evaluation of the implementation of this act and the rules adopted to carry out its purposes shall include, but not necessarily be limited to, consideration of the following factors:

(a) Qualifying patients' access to an adequate source of cannabis for medical use;

(b) Qualifying patients' access to a safe source of cannabis for medical use;

(c) Qualifying patients' access to a consistent source of cannabis for medical use;

(d) Qualifying patients' access to a secure source of cannabis for medical use;

(e) Qualifying patients' and designated providers' contact with law enforcement and involvement in the criminal justice system;

(f) Diversion of cannabis intended for medical use to nonmedical uses;

(g) Incidents of home invasion burglaries, robberies, and other violent and property crimes associated with qualifying patients accessing cannabis for medical use;

(h) Whether there are health care professionals who make a disproportionately high amount of authorizations in comparison to the health care professional community at large;

(i) Whether there are indications of health care professionals in violation of RCW 69.51A.030; and

(j) Whether the health care professionals making authorizations reside in this state or out of this state.

(3) For purposes of facilitating this evaluation, the departments of health and agriculture will make available to the Washington state institute for public policy requested data, and any other data either department may consider relevant, from which all personally identifiable information has been redacted.

NEW SECTION. **Sec. 1002.** A new section is added to chapter 28B.20 RCW to read as follows:

The University of Washington and Washington State University may conduct scientific research on the efficacy and safety of administering cannabis as part of medical treatment. As part of this research, the University of Washington and Washington State University may develop and conduct studies to ascertain the general medical safety and efficacy of cannabis and may develop medical guidelines for the appropriate administration and use of cannabis.

PART XI

CONSTRUCTION

NEW SECTION. **Sec. 1101.** (1) No civil or criminal liability may be imposed by any court on the state or its officers and employees for actions taken in good faith under this chapter and within the scope of their assigned duties.

(2) No civil or criminal liability may be imposed by any court on cities, towns, and counties or other municipalities and their officers and employees for actions taken in good faith under this chapter and within the scope of their assigned duties.

NEW SECTION. **Sec. 1102.** If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

NEW SECTION. **Sec. 1103.** (1) The search, arrest, and prosecution protections and affirmative defenses established in sections 405, 406, and 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 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 and sections 403 and 413 of this act do not apply to a person who is supervised for a criminal conviction by a corrections agency or department 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 that has determined that licensure is inconsistent with and contrary to his or her supervision.

Sec. 1104. RCW 69.51A.900 and 1999 c 2 s 1 are each amended to read as follows:

This chapter may be known and cited as the Washington state medical use of ((~~marijuana~~)) cannabis act.

PART XII
MISCELLANEOUS

NEW SECTION. **Sec. 1201.** RCW 69.51A.080 (Adoption of rules by the department of health--Sixty-day supply for qualifying patients) and 2007 c 371 s 8 are each repealed.

NEW SECTION. **Sec. 1202.** Sections 402 through 411, 413, 601 through 607, 701 through 706, 801 through 803, 901, 1001, and 1101 through 1104 of this act are each added to chapter 69.51A RCW.

NEW SECTION. **Sec. 1203.** Section 1002 of this act takes effect January 1, 2013.

Correct the title."

Representatives Bailey and Taylor spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (626) was not adopted.

The committee amendment was adopted as amended.

There being no objection, the rules were suspended, the second reading considered the third and the bill as amended by the House, was placed on final passage.

Representatives Cody, Appleton, Hurst, Dickerson and Liias spoke in favor of the passage of the bill.

Representatives Schmick, Klippert, Buys, Pearson, Miloscia, McCune, Ahern, Angel, Shea, Nealey, Harris, Bailey, Klippert and Hinkle spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 5073, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5073, as amended by the House, and the bill passed the House by the following vote: Yeas, 54; Nays, 43; Absent, 0; Excused, 0.

Voting yea: Representatives Anderson, Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Condotta, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hunt, Hunter, Hurst, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Reykdal, Roberts, Rolfes, Ryu, Santos, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hudgins, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Miloscia, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Seaquist, Shea, Short, Smith, Taylor, Warnick, Wilcox and Zeiger.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5073, as amended by the House, having received the necessary constitutional majority, was declared passed.

POINT OF PARLIAMENTARY INQUIRY

Representative DeBolt "Mr. Speaker I rise to a point of parliamentary inquiry with respect to my eligibility to vote on Engrossed Second Substitute Senate Bill No. 5769 dealing with coal fired generation. Mr. Speaker House Rule 19 (D) based in large part on Article II Section 30 of our State Constitution provides that no member shall vote on any question which affects the member privately and particularly. Mr. Speaker this legislation imposes significant impacts to one coal burning power generating facility located in Lewis County, Washington. In addition to my role in this House as a State Representative from the 20th Legislative District, which includes Lewis County, I also am employed by the company that owns the facility substantially affected by Engrossed Second Substitute Senate Bill No. 5769. In 2009, I asked to be excused from the vote on Engrossed Second Substitute Senate Bill No. 5735 which set up negotiations between my employer and the State. I was going to be directly involved in those negotiations on behalf of the company and my request was granted. Mr. Speaker, today, we have before us a bill, Engrossed Second Substitute Senate Bill No. 5769 which is an outgrowth of the negotiations with the State that I was involved in on behalf of my employer. Mr. Speaker, I ask to be excused from voting on Engrossed Second Substitute Senate Bill No. 5769. Thank you Mr. Speaker."

SPEAKER'S RULING

Mr. Speaker (Representative Moeller presiding): "Thank you Representative DeBolt for bringing this question to the body. House Rule 19(D), which is based on Article 2, Section 30 of our State Constitution, states that no member shall vote on any question which affects that member privately and particularly. Representative DeBolt, as stated in your inquiry, this bill is an outgrowth of previous negotiations in which you participated as an employee of the affected company. Based on your participation in negotiations as a private citizen, rather than as a legislator, the Speaker finds that you have a unique interest which is of such a private and particular nature as to require your recusal from consideration of the bill before us."

SECOND READING

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5769, by Senate Committee on Ways & Means (originally sponsored by Senators Rockefeller, Pridemore, Kohl-Welles, White, Chase, Murray, Ranker, Regala, Fraser, Shin and Kline)

Regarding coal-fired electric generation facilities.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Environment was not adopted. (For Committee amendment, see Journal, Day 72, March 22, 2011.)

With the consent of the house, amendments (545) and (564) were withdrawn.
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Representative Upthegrove moved the adoption of amendment (560) :.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 101.** (1) The legislature finds that generating electricity from the combustion of coal produces pollutants that are harmful to human health and safety and the environment. While the emission of many of these pollutants continues to be addressed through application of federal and state air quality laws, the emission of greenhouse gases resulting from the combustion of coal has not been addressed.

(2) The legislature finds that coal-fired electricity generation is one of the largest sources of greenhouse gas emissions in the state, and is the largest source of such emissions from the generation of electricity in the state.

(3) The legislature finds coal-fired electric generation may provide baseload power that is necessary in the near-term for the stability and reliability of the electrical transmission grid and that contributes to the availability of affordable power in the state. The legislature further finds that efforts to transition power to other fuels requires a reasonable period of time to ensure grid stability and to maintain affordable electricity resources.

(4) The legislature finds that coal-fired baseload electric generation facilities are a significant contributor to family-wage jobs and economic health in parts of the state and that transition of these facilities must address the economic future and the preservation of jobs in affected communities.

(5) Therefore, it is the purpose of this act to provide for the reduction of greenhouse gas emissions from large coal-fired baseload electric power generation facilities, to effect an orderly transition to cleaner fuels in a manner that ensures reliability of the state's electrical grid, to ensure appropriate cleanup and site restoration upon decommissioning of any of these facilities in the state, and to provide assistance to host communities planning for new economic development and mitigating the economic impacts of the closure of these facilities.

Sec. 102. RCW 80.80.010 and 2009 c 565 s 54 and 2009 c 448 s 1 are each reenacted and amended to read as follows:

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

(1) "Attorney general" means the Washington state office of the attorney general.

(2) "Auditor" means: (a) The Washington state auditor's office or its designee for consumer-owned utilities under its jurisdiction; or (b) an independent auditor selected by a consumer-owned utility that is not under the jurisdiction of the state auditor.

(3) "Average available greenhouse gas emissions output" means the level of greenhouse gas emissions as surveyed and determined by the energy policy division of the department of commerce under RCW 80.80.050.

(4) "Baseload electric generation" means electric generation from a power plant that is designed and intended to provide electricity at an annualized plant capacity factor of at least sixty percent.

(5) "Cogeneration facility" means a power plant in which the heat or steam is also used for industrial or commercial heating or cooling purposes and that meets federal energy regulatory commission standards for qualifying facilities under the public utility regulatory policies act of 1978 (16 U.S.C. Sec. 824a-3), as amended.

(6) "Combined-cycle natural gas thermal electric generation facility" means a power plant that employs a combination of one or more gas turbines and steam turbines in which electricity is produced in the steam turbine from otherwise lost waste heat exiting from one or more of the gas turbines.

(7) "Commission" means the Washington utilities and transportation commission.

(8) "Consumer-owned utility" means a municipal utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, a mutual corporation or association formed under chapter 24.06 RCW, or port district within which an industrial district has been established as authorized by Title 53 RCW, that is engaged in the business of distributing electricity to more than one retail electric customer in the state.

(9) "Department" means the department of ecology.

(10) "Distributed generation" means electric generation connected to the distribution level of the transmission and distribution grid, which is usually located at or near the intended place of use.

(11) "Electric utility" means an electrical company or a consumer- owned utility.

(12) "Electrical company" means a company owned by investors that meets the definition of RCW 80.04.010.

(13) "Governing board" means the board of directors or legislative authority of a consumer-owned utility.

(14) "Greenhouse ((~~gases~~)) gas" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

(15) "Long-term financial commitment" means:

(a) Either a new ownership interest in baseload electric generation or an upgrade to a baseload electric generation facility; or

(b) A new or renewed contract for baseload electric generation with a term of five or more years for the provision of retail power or wholesale power to end-use customers in this state.

(16) "Plant capacity factor" means the ratio of the electricity produced during a given time period, measured in kilowatt-hours, to the electricity the unit could have produced if it had been operated at its rated capacity during that period, expressed in kilowatt-hours.

(17) "Power plant" means a facility for the generation of electricity that is permitted as a single plant by a jurisdiction inside or outside the state.

(18) "Upgrade" means any modification made for the primary purpose of increasing the electric generation capacity of a baseload electric generation facility. "Upgrade" does not include routine or necessary maintenance, installation of emission control equipment, installation, replacement, or modification of equipment that improves the heat rate of the facility, or installation, replacement, or modification of equipment for the primary purpose of maintaining reliable generation output capability that does not increase the heat input or fuel usage as specified in existing generation air quality permits as of July 22, 2007, but may result in incidental increases in generation capacity.

(19) "Coal transition power" means the output of a coal-fired electric generation facility that is subject to an obligation to meet the standards contained in RCW 80.80.040(3)(c).

(20) "Memorandum of agreement" or "memorandum" means a binding and enforceable contract entered into pursuant to section 106 of this act between the governor on behalf of the state and an owner of a baseload electric generation facility in the state that produces coal transition power.

Sec. 103. RCW 80.80.040 and 2009 c 448 s 2 are each amended to read as follows:

(1) Beginning July 1, 2008, the greenhouse gas emissions performance standard for all baseload electric generation for which

electric utilities enter into long-term financial commitments on or after such date is the lower of:

(a) One thousand one hundred pounds of greenhouse gases per megawatt-hour; or

(b) The average available greenhouse gas emissions output as determined under RCW 80.80.050.

(2) This chapter does not apply to long-term financial commitments with the Bonneville power administration.

(3)(a) Except as provided in (c) of this subsection, all baseload electric generation facilities in operation as of June 30, 2008, are deemed to be in compliance with the greenhouse gas emissions performance standard established under this section until the facilities are the subject of long-term financial commitments.

(b) All baseload electric generation that commences operation after June 30, 2008, and is located in Washington, must comply with the greenhouse gas emissions performance standard established in subsection (1) of this section.

(c)(i) A coal-fired baseload electric generation facility in Washington that emitted more than one million tons of greenhouse gases in any calendar year prior to 2008 must comply with the lower of the following greenhouse gas emissions performance standard such that one generating boiler is in compliance by December 31, 2020, and any other generating boiler is in compliance by December 31, 2025:

(A) One thousand one hundred pounds of greenhouse gases per megawatt-hour; or

(B) The average available greenhouse gas emissions output as determined under RCW 80.80.050.

(ii) This subsection (3)(c) does not apply to a coal-fired baseload electric generating facility in the event the department determines as a requirement of state or federal law or regulation that selective catalytic reduction technology must be installed on any of its boilers.

(4) All electric generation facilities or power plants powered exclusively by renewable resources, as defined in RCW 19.280.020, are deemed to be in compliance with the greenhouse gas emissions performance standard established under this section.

(5) All cogeneration facilities in the state that are fueled by natural gas or waste gas or a combination of the two fuels, and that are in operation as of June 30, 2008, are deemed to be in compliance with the greenhouse gas emissions performance standard established under this section until the facilities are the subject of a new ownership interest or are upgraded.

(6) In determining the rate of emissions of greenhouse gases for baseload electric generation, the total emissions associated with producing electricity shall be included.

(7) In no case shall a long-term financial commitment be determined to be in compliance with the greenhouse gas emissions performance standard if the commitment includes more than twelve percent of electricity from unspecified sources.

(8) For a long-term financial commitment with multiple power plants, each specified power plant must be treated individually for the purpose of determining the annualized plant capacity factor and net emissions, and each power plant must comply with subsection (1) of this section, except as provided in subsections (3) through (5) of this section.

(9) The department shall establish an output-based methodology to ensure that the calculation of emissions of greenhouse gases for a cogeneration facility recognizes the total usable energy output of the process, and includes all greenhouse gases emitted by the facility in the production of both electrical and thermal energy. In developing and implementing the greenhouse gas emissions performance standard, the department shall consider and act in a manner consistent with any rules adopted pursuant to the public utilities regulatory policy act of 1978 (16 U.S.C. Sec. 824a-3), as amended.

(10) The following greenhouse gas emissions produced by baseload electric generation owned or contracted through a long-term financial commitment shall not be counted as emissions of the power plant in determining compliance with the greenhouse gas emissions performance standard:

(a) Those emissions that are injected permanently in geological formations;

(b) Those emissions that are permanently sequestered by other means approved by the department; and

(c) Those emissions sequestered or mitigated as approved under subsection (16) of this section.

(11) In adopting and implementing the greenhouse gas emissions performance standard, the department of ((~~community, trade, and economic development~~)) commerce energy policy division, in consultation with the commission, the department, the Bonneville power administration, the western electricity ((~~coordination [coordinating]~~)) coordinating council, the energy facility site evaluation council, electric utilities, public interest representatives, and consumer representatives, shall consider the effects of the greenhouse gas emissions performance standard on system reliability and overall costs to electricity customers.

(12) In developing and implementing the greenhouse gas emissions performance standard, the department shall, with assistance of the commission, the department of ((~~community, trade, and economic development~~)) commerce energy policy division, and electric utilities, and to the extent practicable, address long-term purchases of electricity from unspecified sources in a manner consistent with this chapter.

(13) The directors of the energy facility site evaluation council and the department shall each adopt rules under chapter 34.05 RCW in coordination with each other to implement and enforce the greenhouse gas emissions performance standard. The rules necessary to implement this section shall be adopted by June 30, 2008.

(14) In adopting the rules for implementing this section, the energy facility site evaluation council and the department shall include criteria to be applied in evaluating the carbon sequestration plan, for baseload electric generation that will rely on subsection (10) of this section to demonstrate compliance, but that will commence sequestration after the date that electricity is first produced. The rules shall include but not be limited to:

(a) Provisions for financial assurances, as a condition of plant operation, sufficient to ensure successful implementation of the carbon sequestration plan, including construction and operation of necessary equipment, and any other significant costs;

(b) Provisions for geological or other approved sequestration commencing within five years of plant operation, including full and sufficient technical documentation to support the planned sequestration;

(c) Provisions for monitoring the effectiveness of the implementation of the sequestration plan;

(d) Penalties for failure to achieve implementation of the plan on schedule;

(e) Provisions for an owner to purchase emissions reductions in the event of the failure of a sequestration plan under subsection (16) of this section; and

(f) Provisions for public notice and comment on the carbon sequestration plan.

(15)(a) Except as provided in (b) of this subsection, as part of its role enforcing the greenhouse gas emissions performance standard, the department shall determine whether sequestration or a plan for sequestration will provide safe, reliable, and permanent protection against the greenhouse gases entering the atmosphere from the power plant and all ancillary facilities.

(b) For facilities under its jurisdiction, the energy facility site evaluation council shall contract for review of sequestration or the carbon sequestration plan with the department consistent with the conditions under (a) of this subsection, consider the adequacy of sequestration or the plan in its adjudicative proceedings conducted under RCW 80.50.090(3), and incorporate specific findings regarding

adequacy in its recommendation to the governor under RCW 80.50.100.

(16) A project under consideration by the energy facility site evaluation council by July 22, 2007, is required to include all of the requirements of subsection (14) of this section in its carbon sequestration plan submitted as part of the energy facility site evaluation council process. A project under consideration by the energy facility site evaluation council by July 22, 2007, that receives final site certification agreement approval under chapter 80.50 RCW shall make a good faith effort to implement the sequestration plan. If the project owner determines that implementation is not feasible, the project owner shall submit documentation of that determination to the energy facility site evaluation council. The documentation shall demonstrate the steps taken to implement the sequestration plan and evidence of the technological and economic barriers to successful implementation. The project owner shall then provide to the energy facility site evaluation council notification that they shall implement the plan that requires the project owner to meet the greenhouse gas emissions performance standard by purchasing verifiable greenhouse gas emissions reductions from an electric ((~~generating~~)) generation facility located within the western interconnection, where the reduction would not have occurred otherwise or absent this contractual agreement, such that the sum of the emissions reductions purchased and the facility's emissions meets the standard for the life of the facility.

Sec. 104. RCW 80.80.060 and 2009 c 448 s 3 and 2009 c 147 s 1 are each reenacted and amended to read as follows:

(1) No electrical company may enter into a long-term financial commitment unless the baseload electric generation supplied under such a long-term financial commitment complies with the greenhouse ((~~gases [gas]~~)) gas emissions performance standard established under RCW 80.80.040.

(2) In order to enforce the requirements of this chapter, the commission shall review in a general rate case or as provided in subsection (5) of this section any long-term financial commitment entered into by an electrical company after June 30, 2008, to determine whether the baseload electric generation to be supplied under that long-term financial commitment complies with the greenhouse ((~~gases [gas]~~)) gas emissions performance standard established under RCW 80.80.040.

(3) In determining whether a long-term financial commitment is for baseload electric generation, the commission shall consider the design of the power plant and its intended use, based upon the electricity purchase contract, if any, permits necessary for the operation of the power plant, and any other matter the commission determines is relevant under the circumstances.

(4) Upon application by an electric utility, the commission may provide a case-by-case exemption from the greenhouse ((~~gases [gas]~~)) gas emissions performance standard to address: (a) Unanticipated electric system reliability needs; (b) extraordinary cost impacts on utility ratepayers; or (c) catastrophic events or threat of significant financial harm that may arise from unforeseen circumstances.

(5) Upon application by an electrical company, the commission shall determine whether the company's proposed decision to acquire electric generation or enter into a power purchase agreement for electricity complies with the greenhouse ((~~gases [gas]~~)) gas emissions performance standard established under RCW 80.80.040. The commission shall not decide in a proceeding under this subsection (5) issues involving the actual costs to construct and operate the selected resource, cost recovery, or other issues reserved by the commission for decision in a general rate case or other proceeding for recovery of the resource or contract costs.

(6) An electrical company may account for and defer for later consideration by the commission costs incurred in connection with a long-term financial commitment, including operating and maintenance costs, depreciation, taxes, and cost of invested capital. The deferral begins with the date on which the power plant begins commercial operation or the effective date of the power purchase agreement and continues for a period not to exceed twenty-four months; provided that if during such period the company files a general rate case or other proceeding for the recovery of such costs, deferral ends on the effective date of the final decision by the commission in such proceeding. Creation of such a deferral account does not by itself determine the actual costs of the long-term financial commitment, whether recovery of any or all of these costs is appropriate, or other issues to be decided by the commission in a general rate case or other proceeding for recovery of these costs. For the purpose of this subsection (6) only, the term "long-term financial commitment" also includes an electric company's ownership or power purchase agreement with a term of five or more years associated with an eligible renewable resource as defined in RCW 19.285.030.

(7) The commission shall consult with the department to apply the procedures adopted by the department to verify the emissions of greenhouse gases from baseload electric generation under RCW 80.80.040. The department shall report to the commission whether baseload electric generation will comply with the greenhouse ((~~gases [gas]~~)) gas emissions performance standard for the duration of the period the baseload electric generation is supplied to the electrical company.

(8) The commission shall adopt rules for the enforcement of this section with respect to electrical companies and adopt procedural rules for approving costs incurred by an electrical company under subsection (4) of this section.

(9) This section does not apply to a long-term financial commitment for the purchase of coal transition power with termination dates consistent with the applicable dates in RCW 80.80.040(3)(c).

(10) The commission shall adopt rules necessary to implement this section by December 31, 2008.

Sec. 105. RCW 80.80.070 and 2007 c 307 s 9 are each amended to read as follows:

(1) No consumer-owned utility may enter into a long-term financial commitment unless the baseload electric generation supplied under such a long-term financial commitment complies with the greenhouse ((~~gases~~)) gas emissions performance standard established under RCW 80.80.040.

(2) The governing board shall review and make a determination on any long-term financial commitment by the utility, pursuant to this chapter and after consultation with the department, to determine whether the baseload electric generation to be supplied under that long-term financial commitment complies with the greenhouse ((~~gases~~)) gas emissions performance standard established under RCW 80.80.040. No consumer-owned utility may enter into a long-term financial commitment unless the baseload electric generation to be supplied under that long- term financial commitment complies with the greenhouse ((~~gases~~)) gas emissions performance standard established under RCW 80.80.040.

(3) In confirming that a long-term financial commitment is for baseload electric generation, the governing board shall consider the design of the power plant and the intended use of the power plant based upon the electricity purchase contract, if any, permits necessary for the operation of the power plant, and any other matter the governing board determines is relevant under the circumstances.

(4) The governing board may provide a case-by-case exemption from the greenhouse ((~~gases~~)) gas emissions performance standard to address: (a) Unanticipated electric system reliability needs; or (b) catastrophic events or threat of significant financial harm that may arise from unforeseen circumstances.

(5) The governing board shall apply the procedures adopted by the department to verify the emissions of greenhouse gases from baseload electric generation under RCW 80.80.040, and may request assistance from the department in doing so.

(6) For consumer-owned utilities, the auditor is responsible for auditing compliance with this chapter and rules adopted under this chapter that apply to those utilities and the attorney general is responsible for enforcing that compliance.

(7) This section does not apply to long-term financial commitments for the purchase of coal transition power with termination dates consistent with the applicable dates in RCW 80.80.040(3)(c).

NEW SECTION. **Sec. 106.** A new section is added to chapter 80.80 RCW to read as follows:

(1) By January 1, 2012, the governor on behalf of the state shall enter into a memorandum of agreement that takes effect on April 1, 2012, with the owners of a coal-fired baseload facility in Washington that emitted more than one million tons of greenhouse gases in any calendar year prior to 2008. The memorandum of agreement entered into by the governor may only contain provisions authorized in this section, except as provided under section 108 of this act.

(2) The memorandum of agreement must:

(a) Incorporate by reference RCW 80.80.040, 80.80.060, and 80.80.070 as of the effective date of this section;

(b) Incorporate binding commitments to install selective noncatalytic reduction pollution control technology in any coal-fired generating boilers by January 1, 2013, after discussing the proper use of ammonia in this technology.

(3)(a) The memorandum of agreement must include provisions by which the facility owner will provide financial assistance:

(i) To the affected community for economic development and energy efficiency and weatherization; and

(ii) For energy technologies with the potential to create considerable energy, economic development, and air quality, haze, or other environmental benefits.

(b) Except as described in (c) of this subsection, the financial assistance in (a)(i) of this subsection must be in the amount of thirty million dollars and the financial assistance in (a)(ii) of this subsection must be in the amount of twenty-five million dollars, with investments beginning January 1, 2012, and consisting of equal annual investments through December 31, 2023, or until the full amount has been provided. Only funds for energy efficiency and weatherization may be spent prior to December 31, 2015.

(c) If the tax exemptions provided under RCW 82.08.811 or 82.12.811 are repealed, any remaining financial assistance required by this section is no longer required.

(4) The memorandum of agreement must:

(a) Specify that the investments in subsection (3) of this section be held in independent accounts at an appropriate financial institution; and

(b) Identify individuals to approve expenditures from the accounts. Individuals must have relevant expertise and must include members representing the Lewis county economic development council, local elected officials, employees at the facility, and the facility owner.

(5) The memorandum of agreement must include a provision that allows for the termination of the memorandum of agreement in the event the department determines as a requirement of state or federal law or regulation that selective catalytic reduction technology must be installed on any of its boilers.

(6) The memorandum of agreement must include enforcement provisions to ensure implementation of the agreement by the parties.

(7) If the memorandum of agreement is not signed by January 1, 2012, the governor must impose requirements consistent with the provisions in subsection (2)(b) of this section.

NEW SECTION. **Sec. 107.** A new section is added to chapter 80.80 RCW to read as follows:

No state agency or political subdivision of the state may adopt or impose a greenhouse gas emission performance standard, or other operating or financial requirement or limitation relating to greenhouse gas emissions, on a coal-fired electric generation facility located in Washington in operation on or before the effective date of this section or upon an electric utility's long-term purchase of coal transition power, that is inconsistent with or in addition to the provisions of RCW 80.80.040 or the memorandum of agreement entered into under section 106 of this act.

NEW SECTION. **Sec. 108.** A new section is added to chapter 80.80 RCW to read as follows:

(1) A memorandum of agreement entered into pursuant to section 106 of this act may include provisions to assist in the financing of emissions reductions that exceed those required by RCW 80.80.040(3)(c) by providing for the recognition of such reductions in applicable state policies and programs relating to greenhouse gas emissions, and by encouraging and advocating for the recognition of the reductions in all established and emerging emission reduction frameworks at the regional, national, or international level.

(2) The governor may recommend actions to the legislature to strengthen implementation of an agreement or a proposed agreement relating to recognition of investments in emissions reductions described in subsection (1) of this section.

Sec. 109. RCW 80.50.100 and 1989 c 175 s 174 are each amended to read as follows:

(1)(a) The council shall report to the governor its recommendations as to the approval or rejection of an application for certification within twelve months of receipt by the council of such an application, or such later time as is mutually agreed by the council and the applicant.

(b) In the case of an application filed prior to December 31, 2025, for certification of an energy facility proposed for construction, modification, or expansion for the purpose of providing generating facilities that meet the requirements of RCW 80.80.040 and are located in a county with a coal-fired electric generating facility subject to RCW 80.80.040(3)(c), the council shall expedite the processing of the application pursuant to RCW 80.50.075 and shall report its recommendations to the governor within one hundred eighty days of receipt by the council of such an application, or a later time as is mutually agreed by the council and the applicant.

(2) If the council recommends approval of an application for certification, it shall also submit a draft certification agreement with the report. The council shall include conditions in the draft certification agreement to implement the provisions of this chapter, including, but not limited to, conditions to protect state or local governmental or community interests affected by the construction or operation of the energy facility, and conditions designed to recognize the purpose of laws or ordinances, or rules or regulations promulgated thereunder, that are preempted or superseded pursuant to RCW 80.50.110 as now or hereafter amended.

(((~~(2)~~))) (3)(a) Within sixty days of receipt of the council's report the governor shall take one of the following actions:

(((~~(a)~~))) (i) Approve the application and execute the draft certification agreement; or

(((~~(b)~~))) (ii) Reject the application; or

(((~~(c)~~))) (iii) Direct the council to reconsider certain aspects of the draft certification agreement.

(b) The council shall reconsider such aspects of the draft certification agreement by reviewing the existing record of the application or, as necessary, by reopening the adjudicative proceeding for the purposes of receiving additional evidence. Such reconsideration shall be conducted expeditiously. The council shall resubmit the draft certification to the governor incorporating any amendments deemed necessary upon reconsideration. Within sixty days of receipt of such draft certification agreement, the governor shall either approve the application and execute the certification agreement or reject the application. The certification agreement shall be binding upon execution by the governor and the applicant.

(((~~(3)~~))) (4) The rejection of an application for certification by the governor shall be final as to that application but shall not preclude

submission of a subsequent application for the same site on the basis of changed conditions or new information.

NEW SECTION. **Sec. 201.** (1) A facility subject to closure under either RCW 80.80.040(3)(c) or a memorandum of agreement under section 106 of this act, or both, must provide the department of ecology with a plan for the closure and postclosure of the facility at least twenty- four months prior to facility closure or twenty-four months prior to start of decommissioning work, whichever is earlier. This plan must be consistent with the rules established by the energy facility site evaluation council for site restoration and preservation applicable to facilities subject to a site certification agreement under chapter 80.50 RCW and include but not be limited to:

(a) A detailed estimate of the cost to implement the plan based on the cost of hiring a third party to conduct all activities;

(b) Demonstrating financial assurance to fund the closure and postclosure of the facility and providing methods by which this assurance may be demonstrated;

(c) Methods for estimating closure costs, including full site reclamation under all applicable federal and state clean-up standards; and

(d) A decommissioning and site restoration plan that addresses restoring physical topography, cleanup of all hazardous substances on the site, potential future uses of the site following restoration, and coordination with local and community plans for economic development in the vicinity of the site.

(2) All cost estimates in the plan must be in current dollars and may not include a net present value adjustment or offsets for salvage value of wastes or other property.

(3) Adoption of the plan and significant revisions to the plan must be approved by the department of ecology.

NEW SECTION. **Sec. 202.** (1) A facility subject to closure under either RCW 80.80.040(3)(c) or a memorandum of agreement under section 106 of this act, or both, must guarantee funds are available to perform all activities specified in the decommissioning plan developed under section 201 of this act. The amount must equal the cost estimates specified in the decommissioning plan and must be updated annually for inflation. All guarantees under this section must be assumed by any successor owner, parent company, or holding company.

(2) The guarantee required under subsection (1) of this section may be accomplished by letter of credit, surety bond, or other means acceptable to the department of ecology.

(3) The issuing institution of the letter of credit must be an entity that has the authority to issue letters of credit and whose letter of credit operations are regulated by a federal or state agency. The surety company issuing a surety bond must, at a minimum, be an entity listed as an acceptable surety on federal bonds in circular 570, published by the United States department of the treasury.

(4) A qualifying facility that uses a letter of credit or a surety bond to satisfy the requirements of this act must also establish a standby trust fund as a means to hold any funds issued from the letter of credit or a surety bond. Under the terms of the letter of credit or a surety bond, all amounts paid pursuant to a draft from the department of ecology must be deposited by the issuing institution directly into the standby trust fund in accordance with instructions from the department of ecology. This standby trust fund must be approved by the department of ecology.

(5) The letter of credit or a surety bond must be irrevocable and issued for a period of at least one year. The letter of credit or a surety bond must provide that the expiration date will be automatically extended for a period of at least one year unless, at least one hundred twenty days before the current expiration date, the issuing institution notifies both the qualifying facility and the department of ecology of a decision not to extend the expiration date. Under the terms of the letter of credit, the one hundred twenty days will begin on the date when both the qualifying plant and the department of ecology have received the notice, as evidenced by certified mail return receipts or by overnight courier delivery receipts.

(6) If the qualifying facility does not establish an alternative method of guaranteeing decommissioning funds are available within ninety days after receipt by both the qualifying facility plant and the department of ecology of a notice from the issuing institution that it has decided not to extend the letter of credit beyond the current expiration date, the department of ecology must draw on the letter of credit or a surety bond. The department of ecology must approve any replacement or substitute guarantee method before the expiration of the ninety-day period.

(7) If a qualifying facility elects to use a letter of credit as the sole method for guaranteeing decommissioning funds are available, the face value of the letter of credit must meet or exceed the current inflation-adjusted cost estimate. If a qualifying facility elects to use a surety bond as the sole method for guaranteeing decommissioning funds are available, the penal sum of the surety bond must meet or exceed the current inflation-adjusted cost estimate.

(8) A qualifying facility must adjust the decommissioning costs and financial guarantees annually for inflation and may use an amendment to increase the face value of a letter of credit or a surety bond each year to account for this inflation. A qualifying facility is not required to obtain a new letter of credit or a surety bond to cover annual inflation adjustments.

NEW SECTION. **Sec. 203.** Sections 201 and 202 of this act constitute a new chapter in Title 80 RCW.

Sec. 301. RCW 43.160.076 and 2008 c 327 s 8 are each amended to read as follows:

(1) Except as authorized to the contrary under subsection (2) of this section, from all funds available to the board for financial assistance in a biennium under this chapter, the board shall approve at least seventy-five percent of the first twenty million dollars of funds available and at least fifty percent of any additional funds for financial assistance for projects in rural counties.

(2) If at any time during the last six months of a biennium the board finds that the actual and anticipated applications for qualified projects in rural counties are clearly insufficient to use up the allocations under subsection (1) of this section, then the board shall estimate the amount of the insufficiency and during the remainder of the biennium may use that amount of the allocation for financial assistance to projects not located in rural counties.

(3) The board shall solicit qualifying projects to plan, design, and construct public facilities needed to attract new industrial and commercial activities in areas impacted by the closure or potential closure of large coal-fired electric generation facilities, which for the purposes of this section means a facility that emitted more than one million tons of greenhouse gases in any calendar year prior to 2008. The projects should be consistent with any applicable plans for major industrial activity on lands formerly used or designated for surface coal mining and supporting uses under RCW 36.70A.368. When the board receives timely and eligible project applications from a political subdivision of the state for financial assistance for such projects, the board from available funds shall give priority consideration to such projects.

NEW SECTION. **Sec. 302.** A new section is added to chapter 43.155 RCW to read as follows:

The board shall solicit qualifying projects to plan, design, and construct public works projects needed to attract new industrial and commercial activities in areas impacted by the closure or potential closure of large coal-fired electric generation facilities, which for the purposes of this section means a facility that emitted more than one million tons of greenhouse gases in any calendar year prior to 2008. The projects should be consistent with any applicable plans for major industrial activity on lands formerly used or designated for surface coal mining and supporting uses under RCW 36.70A.368. When the board receives timely and eligible project applications from a political

subdivision of the state for financial assistance for such projects, the board from available funds shall give priority consideration to such projects.

NEW SECTION. **Sec. 303.** A new section is added to chapter 80.04 RCW to read as follows:

The legislature finds that an electrical company's acquisition of coal transition power helps to achieve the state's greenhouse gas emission reduction goals by effecting an orderly transition to cleaner fuels and supports the state's public policy.

NEW SECTION. **Sec. 304.** A new section is added to chapter 80.04 RCW to read as follows:

(1) On the petition of an electrical company, the commission shall approve or disapprove a power purchase agreement for acquisition of coal transition power, as defined in RCW 80.80.010, and the recovery of related acquisition costs. No agreement for an electrical company's acquisition of coal transition power takes effect until it is approved by the commission.

(2) Any power purchase agreement for the acquisition of coal transition power pursuant to this section must provide for modification of the power purchase agreement to the satisfaction of the parties thereto in the event that a new or revised emission or performance standard or other new or revised operational or financial requirement or limitation directly or indirectly addressing greenhouse gas emissions is imposed by state or federal law, rules, or regulatory requirements. Such a modification to a power purchase agreement agreed to by the parties must be reviewed and considered for approval by the commission, considering the circumstances existing at the time of such a review, under procedures and standards set forth in this section. In the event the parties cannot agree to modification of the power purchase agreement, either party to the agreement has the right to terminate the agreement if it is adversely affected by this new standard, requirement, or limitation.

(3) When a petition is filed, the commission shall provide notice to the public and potentially affected parties and set the petition for hearing as an adjudicative proceeding under chapter 34.05 RCW. Any party may request that the commission expedite the hearing of that petition. The hearing of such a petition is not considered a general rate case. The electrical company must file supporting testimony and exhibits together with the power purchase agreement for coal transition power. Information provided by the facility owner to the purchasing electrical company for evaluating the costs and benefits associated with acquisition of coal transition power must be made available to other parties to the petition under a protective order entered by the commission. An administrative law judge of the commission may enter an initial order including findings of fact and conclusions of law, as provided in RCW 80.01.060(3). The commission shall issue a final order that approves or disapproves the power purchase agreement for acquisition of coal transition power within one hundred eighty days after an electrical company files the petition.

(4) The commission must approve a power purchase agreement for acquisition of coal transition power pursuant to this section only if the commission determines that, considering the circumstances existing at the time of such a review: The terms of such an agreement provide adequate protection to ratepayers and the electrical company during the term of such an agreement or in the event of early termination; the resource is needed by the electrical company to serve its ratepayers and the resource meets the need in a cost-effective manner as determined under the lowest reasonable cost resource standards under chapter 19.280 RCW, including the cost of the power purchase agreement plus the equity component as determined in this section. As part of these determinations, the commission shall consider, among other factors, the long-term economic risks and benefits to the electrical company and its ratepayers of such a long-term purchase.

(5) If the commission has not issued a final order within one hundred eighty days from the date the petition is filed, or if the commission disapproves the petition, the power purchase agreement for acquisition of coal transition power is null and void. In the event the commission approves the agreement upon conditions other than those set forth in the petition, the electrical company has the right to reject the agreement.

(6)(a) Upon commission approval of an electrical company's power purchase agreement for acquisition of coal transition power in accordance with this section, the electrical company is allowed to earn the equity component of its authorized rate of return in the same manner as if it had purchased or built an equivalent plant and to recover the cost of the coal transition power under the power purchase agreement. Any power purchase agreement for acquisition of coal transition power that earns a return on equity may not be included in an imputed debt calculation for setting customer rates.

(b) For purposes of determining the equity value, the cost of an equivalent plant is the least cost purchased or self-built electric generation plant with equivalent capacity. In determining the least cost plant, the commission may rely on the electrical company's most recent filed integrated resource plan. The cost of an equivalent plant, in dollars per kilowatt, must be determined in the original process of commission approval for each power purchase agreement for coal transition power.

(c) The equivalent plant cost determined in the approval process must be amortized over the life of the power purchase agreement for acquisition of coal transition power to determine the recovery of the equity value.

(d) The recovery of the equity component must be determined and approved in the review process set forth in this section. The approved equity value must be in addition to the approved cost of the power purchase agreement.

(7) Authorizing recovery of costs under a power purchase agreement for acquisition of coal transition power does not prohibit the commission from authorizing recovery of an electrical company's acquisition of capacity resources for the purpose of integrating intermittent power or following load.

(8) Neither this act nor the commission's approval of a power purchase agreement for acquisition of coal transition power that includes the ability to earn the equity component of an electrical company's authorized rate of return establishes any precedent for an electrical company to receive an equity return on any other power purchase agreement or other power contract.

(9) For purposes of this section, "power purchase agreement" means a long-term financial commitment as defined in RCW 80.80.010(15)(b).

(10) This section expires December 31, 2025.

Sec. 305. RCW 19.280.030 and 2006 c 195 s 3 are each amended to read as follows:

Each electric utility must develop a plan consistent with this section.

(1) Utilities with more than twenty-five thousand customers that are not full requirements customers shall develop or update an integrated resource plan by September 1, 2008. At a minimum, progress reports reflecting changing conditions and the progress of the integrated resource plan must be produced every two years thereafter. An updated integrated resource plan must be developed at least every four years subsequent to the 2008 integrated resource plan. The integrated resource plan, at a minimum, must include:

(a) A range of forecasts, for at least the next ten years, of projected customer demand which takes into account econometric data and customer usage;

(b) An assessment of commercially available conservation and efficiency resources. Such assessment may include, as appropriate, high efficiency cogeneration, demand response and load management

programs, and currently employed and new policies and programs needed to obtain the conservation and efficiency resources;

(c) An assessment of commercially available, utility scale renewable and nonrenewable generating technologies including a comparison of the benefits and risks of purchasing power or building new resources;

(d) A comparative evaluation of renewable and nonrenewable generating resources, including transmission and distribution delivery costs, and conservation and efficiency resources using "lowest reasonable cost" as a criterion;

(e) The integration of the demand forecasts and resource evaluations into a long-range assessment describing the mix of supply side generating resources and conservation and efficiency resources that will meet current and projected needs at the lowest reasonable cost and risk to the utility and its ratepayers; and

(f) A short-term plan identifying the specific actions to be taken by the utility consistent with the long-range integrated resource plan.

(2) All other utilities may elect to develop a full integrated resource plan as set forth in subsection (1) of this section or, at a minimum, shall develop a resource plan that:

(a) Estimates loads for the next five and ten years;

(b) Enumerates the resources that will be maintained and/or acquired to serve those loads; and

(c) Explains why the resources in (b) of this subsection were chosen and, if the resources chosen are not renewable resources or conservation and efficiency resources, why such a decision was made.

(3) An electric utility that is required to develop a resource plan under this section must complete its initial plan by September 1, 2008.

(4) Resource plans developed under this section must be updated on a regular basis, at a minimum on intervals of two years.

(5) Plans shall not be a basis to bring legal action against electric utilities.

(6) Each electric utility shall publish its final plan either as part of an annual report or as a separate document available to the public. The report may be in an electronic form.

NEW SECTION. **Sec. 306.** A new section is added to chapter 80.70 RCW to read as follows:

(1) An applicant for a natural gas-fired generation plant to be constructed in a county with a coal-fired electric generation facility subject to RCW 80.80.040(3)(c) is exempt from this chapter if the application is filed before December 31, 2025.

(2) For the purposes of this section, an applicant means the owner of a coal-fired electric generation facility subject to RCW 80.80.040(3)(c).

(3) This section expires December 31, 2025, or when the station-generating capability of all natural gas-fired generation plants approved under this section equals the station-generating capability from a coal-fired electric generation facility subject to RCW 80.80.040(3)(c).

NEW SECTION. **Sec. 307.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

Representatives Upthegrove and Short spoke in favor of the adoption of the amendment.

Amendment (560) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Upthegrove, Short, Liias, Klippert, Morris and Alexander spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 5769, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5769, as amended by the House, and the bill passed the House by the following vote: Yeas, 87; Nays, 9; Absent, 0; Excused, 1.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Parker, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Buys, Crouse, Harris, Kristiansen, Orcutt, Overstreet, Pearson and Shea.

Excused: Representative DeBolt.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5769, as amended by the House, having received the constitutional majority, was declared passed.

MESSAGES FROM THE SENATE

April 11, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE SENATE BILL 5742 and the same is herewith transmitted.

Thomas Hoemann, Secretary

April 11, 2011

MR. SPEAKER:

The President has signed:

SENATE BILL 5500
SENATE BILL 5526

and the same are herewith transmitted.

Thomas Hoemann, Secretary

April 11, 2011

MR. SPEAKER:

The Senate has passed:

HOUSE BILL 1052
SUBSTITUTE HOUSE BILL 1061
HOUSE BILL 1106
HOUSE BILL 1413
HOUSE BILL 1586
HOUSE BILL 1698
SUBSTITUTE HOUSE BILL 1923

and the same are herewith transmitted.

Thomas Hoemann, Secretary

April 11, 2011

MR. SPEAKER:

The President has signed:

SUBSTITUTE HOUSE BILL 1024
HOUSE BILL 1074
SECOND SUBSTITUTE HOUSE BILL 1153
SUBSTITUTE HOUSE BILL 1169
ENGROSSED HOUSE BILL 1171
HOUSE BILL 1190
HOUSE BILL 1191
ENGROSSED HOUSE BILL 1223
HOUSE BILL 1239
SUBSTITUTE HOUSE BILL 1266
HOUSE BILL 1340
SUBSTITUTE HOUSE BILL 1402
HOUSE BILL 1432
SUBSTITUTE HOUSE BILL 1438
HOUSE BILL 1477
SUBSTITUTE HOUSE BILL 1495
SUBSTITUTE HOUSE BILL 1565
SUBSTITUTE HOUSE BILL 1595
SUBSTITUTE HOUSE BILL 1596
SUBSTITUTE HOUSE BILL 1614
ENGROSSED HOUSE BILL 1703
ENGROSSED SUBSTITUTE HOUSE BILL 1731
SUBSTITUTE HOUSE BILL 1966

and the same are herewith transmitted.

Thomas Hoemann, Secretary

SECOND READING

SENATE BILL NO. 5389, by Senators McAuliffe and Shin

Regarding membership of the early learning advisory council.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Goodman and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Senate Bill No. 5389.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5389, and the bill passed the House by the following vote: Yeas, 87; Nays, 10; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Kretz, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Buys, Crouse, Hargrove, Klippert, Kristiansen, McCune, Overstreet, Rivers, Shea and Taylor.

SENATE BILL NO. 5389, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5695, by Senate Committee on Government Operations, Tribal Relations & Elections (originally sponsored by Senators Fraser, Swecker and Kilmer)

Concerning the authorization of bonds issued by Washington local governments.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Local Government was adopted. (For Committee amendment, see Journal, Day 65, March 15, 2011).

Representative Orcutt moved the adoption of amendment (639).

On page 4, after line 9, insert the following:

"**Sec. 6.** RCW 84.52.054 and 2007 c 54 s 27 are each amended to read as follows:

The additional tax provided for in Article VII, section 2 of the state Constitution, and specifically authorized by RCW 84.52.052, 84.52.053, 84.52.0531, and 84.52.130, ((~~shall~~)) must be set forth in terms of dollars on the ballot of the proposition to be submitted to the voters, together with an estimate of the dollar rate of tax levy that will be required to produce the dollar amount((~~; and~~)). The ballot proposition must indicate whether the tax will be pledged to pay principal and interest on bonds. The ballot proposition must state that the levy is new or a replacement and include a comparison of the financial impact from a taxing district's prior year levy if any, and the current ballot, in both dollar and percentage change terms. Ballot questions related to multiple year levies must include an estimate of the financial impact in the first year of the proposed levy as compared to the taxing district's prior year's levy, if any, in both dollar and percentage terms. The estimated levy rate must be described as advisory only. The county assessor, in spreading this tax upon the rolls, ((~~shall~~)) must determine the eventual dollar rate required to produce the amount of dollars so voted upon, regardless of the estimate of dollar rate of tax levy carried in ((~~said~~)) the proposition. In the case of a school district or fire protection district proposition for a particular period, the dollar amount and the corresponding estimate of the dollar rate of tax levy ((~~shall~~)) must be set forth for each of the years in that period. The dollar amount for each annual levy in the particular period may be equal or in different amounts.

Sec. 7. RCW 84.52.056 and 2010 c 115 s 3 are each amended to read as follows:

(1) Any municipal corporation otherwise authorized by law to issue general obligation bonds for capital purposes may, at an election duly held after giving notice thereof as required by law, authorize the issuance of general obligation bonds for capital purposes only, which does not include the replacement of equipment, and provide for the payment of the principal and interest of such bonds by annual levies in excess of the tax limitations contained in RCW 84.52.050 to 84.52.056, inclusive and RCW 84.52.043. Such an election may not be held more often than twice a calendar year, and the proposition to issue any such bonds and to exceed the tax limitation must receive the affirmative vote of a three-fifths majority of those voting on the proposition and the total number of persons voting at the election

must constitute not less than forty percent of the voters in the municipal corporation who voted at the last preceding general state election. The ballot proposition must state whether the levy will be pledged to pay principal and interest on bonds and include a comparison of the financial impact from a taxing district's prior year levy if any, and the current ballot, in both dollar and percentage change terms. Ballot questions related to multiple year levies must include an estimate of the financial impact in the first year of the proposed levy as compared to the taxing district's prior year's levy, if any, in both dollar and percentage terms. The estimated levy rate must be described as advisory only.

(2) Any taxing district has the right by vote of its governing body to refund any general obligation bonds of ((~~said~~)) the district issued for capital purposes only, and to provide for the interest thereon and amortization thereof by annual levies in excess of the tax limitations provided for in RCW 84.52.050 to 84.52.056, inclusive and RCW 84.52.043.

(3) For the purposes of this section, "bond" includes a municipal corporation's obligation to make payments to the state in connection with a financing contract entered into by the state by or on behalf of a municipal corporation under chapter 39.94 RCW."

Renumber the remaining section consecutively, correct any internal references accordingly, and correct the title.

Representatives Orcutt and Takko spoke in favor of the adoption of the amendment.

Amendment (639) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Takko and Angel spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5695, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5695, as amended by the House, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representative Anderson.

SUBSTITUTE SENATE BILL NO. 5695, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5445, by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Keiser, Pflug, White, Conway and Kline)

Establishing a health benefit exchange.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Health Care & Wellness was not adopted. (For Committee amendment, see Journal, Day 73, March 23, 2011).

Representative Cody moved the adoption of amendment (646).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that the affordable care act requires the establishment of health benefit exchanges. The legislature intends to establish an exchange, including a governance structure. There are many policy decisions associated with establishing an exchange that need to be made that will take a great deal of effort and expertise. It is therefore the intent of the legislature to establish a process through which these policy decisions can be made by the legislature and the governor by the deadline established in the affordable care act.

(2) The exchange is intended to:

(a) Increase access to quality affordable health care coverage, reduce the number of uninsured persons in Washington state, and increase the availability of health care coverage through the private health insurance market to qualified individuals and small employers;

(b) Provide consumer choice and portability of health insurance, regardless of employment status;

(c) Create an organized, transparent, and accountable health insurance marketplace for Washingtonians to purchase affordable, quality health care coverage, to claim available federal refundable premium tax credits and cost-sharing subsidies, and to meet the personal responsibility requirements for minimum essential coverage as provided under the federal affordable care act;

(d) Promote consumer literacy and empower consumers to compare plans and make informed decisions about their health care and coverage;

(e) Effectively and efficiently administer health care subsidies and determination of eligibility for participation in publicly subsidized health care programs, including the exchange;

(f) Create a health insurance market that competes on the basis of price, quality, service, and other innovative efforts;

(g) Operate in a manner compatible with efforts to improve quality, contain costs, and promote innovation;

(h) Recognize the need for a private health insurance market to exist outside of the exchange; and

(i) Recognize that the regulation of the health insurance market, both inside and outside the exchange, should continue to be performed by the insurance commissioner.

NEW SECTION. **Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. Terms and phrases used in this chapter that are not defined in this section must be defined as consistent with implementation of a state health benefit exchange pursuant to the affordable care act.

(1) "Affordable care act" means the federal patient protection and affordable care act, P.L. 111-148, as amended by the federal health care and education reconciliation act of 2010, P.L. 111-152, or federal regulations or guidance issued under the affordable care act.

(2) "Authority" means the Washington state health care authority, established under chapter 41.05 RCW.

(3) "Board" means the governing board established in section 3 of this act.

(4) "Commissioner" means the insurance commissioner, established in Title 48 RCW.

(5) "Exchange" means the Washington health benefit exchange established in section 3 of this act.

NEW SECTION. **Sec. 3.** (1) The Washington health benefit exchange is established and constitutes a public-private partnership separate and distinct from the state, exercising functions delineated in this act. By January 1, 2014, the exchange shall operate consistent with the affordable care act subject to statutory authorization. The exchange shall have a governing board consisting of persons with expertise in the Washington health care system and private and public health care coverage. The initial membership of the board shall be appointed as follows:

(a) By August 1, 2011, each of the two largest caucuses in both the house of representatives and the senate shall submit to the governor a list of five nominees who are not legislators or employees of the state or its political subdivisions, with no caucus submitting the same nominee.

(i) The nominations from the largest caucus in the house of representatives must include at least one employee benefit specialist;

(ii) The nominations from the second largest caucus in the house of representatives must include at least one health economist or actuary;

(iii) The nominations from the largest caucus in the senate must include at least one representative of health consumer advocates;

(iv) The nominations from the second largest caucus in the senate must include at least one representative of small business;

(v) The remaining nominees must have demonstrated and acknowledged expertise in at least one of the following areas: Individual health care coverage, small employer health care coverage, health benefits plan administration, health care finance and economics, actuarial science, or administering a public or private health care delivery system.

(b) By October 1, 2011, the governor shall appoint two members from each list submitted by the caucuses under (a) of this subsection. The appointments made under this subsection (1)(b) must include at least one employee benefits specialist, one health economist or actuary, one representative of small business, and one representative of health consumer advocates. The remaining four members must have a demonstrated and acknowledged expertise in at least one of the following areas: Individual health care coverage, small employer health care coverage, health benefits plan administration, health care finance and economics, actuarial science, or administering a public or private health care delivery system.

(c) By October 1, 2011, the governor shall appoint a ninth member to serve as chair. The chair may not be an employee of the state or its political subdivisions. The chair shall serve as a nonvoting member except in the case of a tie.

(d) The following members shall serve as nonvoting, ex officio members of the board:

(i) The insurance commissioner or his or her designee; and

(ii) The administrator of the health care authority, or his or her designee.

(2) Initial members of the board shall serve staggered terms not to exceed four years. Members appointed thereafter shall serve two-year terms.

(3) A member of the board whose term has expired or who otherwise leaves the board shall be replaced by gubernatorial appointment. When the person leaving was nominated by one of the caucuses of the house of representatives or the senate, his or her replacement shall be appointed from a list of five nominees submitted by that caucus within thirty days after the person leaves. If the member to be replaced is the chair, the governor shall appoint a new chair within thirty days after the vacancy occurs. A person appointed to replace a member who leaves the board prior to the expiration of his or her term shall serve only the duration of the unexpired term. Members of the board may be reappointed to multiple terms.

(4) No board member may be appointed if his or her participation in the decisions of the board could benefit his or her own financial interests or the financial interests of an entity he or she represents. A board member who develops such a conflict of interest shall resign or be removed from the board.

(5) Members of the board must be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060. The board shall prescribe rules for the conduct of its business. Meetings of the board are at the call of the chair.

(6) The exchange and the board are subject only to the provisions of chapter 42.30 RCW, the open public meetings act, and chapter 42.56 RCW, the public records act, and not to any other law or regulation generally applicable to state agencies. Consistent with the open public meetings act, the board may hold executive sessions to consider proprietary or confidential nonpublished information.

(7)(a) The board shall establish an advisory committee to allow for the views of the health care industry and other stakeholders to be heard in the operation of the health benefit exchange.

(b) The board may establish technical advisory committees or seek the advice of technical experts when necessary to execute the powers and duties included in this act.

(8) Members of the board are not civilly or criminally liable and may not have any penalty or cause of action of any nature arise against them for any action taken or not taken, including any discretionary decision or failure to make a discretionary decision, when the action or inaction is done in good faith and in the performance of the powers and duties under this act. Nothing in this section prohibits legal actions against the board to enforce the board's statutory or contractual duties or obligations.

(9) In recognition of the government-to-government relationship between the state of Washington and the federally recognized tribes in the state of Washington, the board shall consult with the American Indian health commission.

NEW SECTION. **Sec. 4.** (1) The exchange may, consistent with the purposes of this chapter: (a) Sue and be sued in its own name; (b) make and execute agreements, contracts, and other instruments, with any public or private person or entity; (c) employ, contract with, or engage personnel; (d) pay administrative costs; and (e) accept grants, donations, loans of funds, and contributions in money, services, materials or otherwise, from the United States or any of its agencies, from the state of Washington and its agencies or from any other source, and use or expend those moneys, services, materials, or other contributions.

(2) The powers and duties of the exchange and the board are limited to those necessary to apply for and administer grants, establish information technology infrastructure, and undertake additional administrative functions necessary to begin operation of the exchange by January 1, 2014. Any actions relating to substantive issues included in section 5 of this act must be consistent with statutory direction on those issues.

NEW SECTION. **Sec. 5.** (1) In collaboration with the joint select committee on health reform implementation, the authority shall:

(a) Apply for and implement grants under the affordable care act. Whenever possible, grant applications shall allow for the possibility of partially funding the activities of the joint select committee on health reform implementation;

(b) Develop and submit to the federal department of health and human services:

(i) A complete budget for the development and operation of an exchange through 2014;

(ii) An initial plan discussing the means to achieve financial sustainability of the exchange by 2015;

(iii) A plan outlining steps to prevent fraud, waste, and abuse; and

(iv) A plan describing how capacity for providing assistance to individuals and small businesses in the state will be created, continued, or expanded, including provision for a call center.

(2) Consistent with the work plan developed in subsection (3) of this section, but in no case later than January 1, 2012, the authority, in collaboration with the joint select committee on health reform implementation and the board, shall develop a broad range of options for operating the exchange and report the options to the governor and the legislature on an ongoing basis. The report must include analysis and recommendations on the following:

(a) The operations and administration of the exchange, including:

(i) The goals and principles of the exchange;

(ii) The creation and implementation of a single state-administered exchange for all geographic areas in the state that operates as the exchange for both the individual and small employer markets by January 1, 2014;

(iii) Whether and under what circumstances the state should consider establishment of, or participation in, a regionally administered multistate exchange;

(iv) Whether the role of an exchange includes serving as an aggregator of funds that comprise the premium for a health plan offered through the exchange;

(v) The administrative, fiduciary, accounting, contracting, and other services to be provided by the exchange;

(vi) Coordination of the exchange with other state programs;

(vii) Development of sustainable funding for administration of the exchange as of January 1, 2015; and

(viii) Recognizing the need for expedience in determining the structure of needed information technology, the necessary information technology to support implementation of exchange activities;

(b) Whether to adopt and implement a federal basic health plan option as authorized in the affordable care act, whether the federal basic health plan option should be administered by the entity that administers the exchange or by a state agency, and whether the federal basic health plan option should merge risk pools for rating with any portion of the state's medicaid program;

(c) Individual and small group market impacts, including whether to:

(i) Merge the risk pools for rating the individual and small group markets in the exchange and the private health insurance markets; and

(ii) Increase the small group market to firms with up to one hundred employees;

(d) Creation of uniform requirements, standards, and criteria for the creation of qualified health plans offered through the exchange, including promoting participation by carriers and enrollees in the exchange to a level sufficient to provide sustainable funding for the exchange;

(e) Certifying, selecting, and facilitating the offer of individual and small group plans through an exchange, to include designation of qualified health plans and the levels of coverage for the plans;

(f) The role and services provided by producers and navigators, including the option to use private insurance market brokers as navigators;

(g) Effective implementation of risk management methods, including: Reinsurance, risk corridors, risk adjustment, to include the entity designated to operate reinsurance and risk adjustment, and the continuing role of the Washington state health insurance pool;

(h) Participation in innovative efforts to contain costs in Washington's markets for public and private health care coverage;

(i) Providing federal refundable premium tax credits and reduced cost-sharing subsidies through the exchange, including the processes and entity responsible for determining eligibility to participate in the exchange and the cost-sharing subsidies provided through the exchange;

(j) The staff, resources, and revenues necessary to operate and administer an exchange for the first two years of operation;

(k) The extent and circumstances under which benefits for spiritual care services that are deductible under section 213(d) of the internal revenue code as of January 1, 2010, will be made available under the exchange; and

(l) Any other areas identified by the joint select committee on health reform implementation.

(3) In collaboration with the joint select committee on health reform implementation, the authority shall develop a work plan for the development of options under subsection (2) of this section in discrete, prioritized stages.

(4) The authority and the board shall consult with the commissioner, the joint select committee on health reform implementation, and stakeholders relevant to carrying out the activities required under this section, including: (a) Educated health care consumers who are enrolled in commercial health insurance coverage and publicly subsidized health care programs; (b) individuals and entities with experience in facilitating enrollment in health insurance coverage, including health carriers, producers, and navigators; (c) representatives of small businesses, employees of small businesses, and self-employed individuals; (d) advocates for enrolling hard to reach populations and populations enrolled in publicly subsidized health care programs; (e) facilities and providers of health care; (f) representatives of publicly subsidized health care programs; and (g) members in good standing of the American academy of actuaries.

(5) Beginning January 1, 2012, the exchange shall be responsible for the duties of the authority under this section. Prior to January 1, 2012, the board may make independent recommendations regarding the options developed under subsection (2) of this section to the governor and the legislature.

NEW SECTION. **Sec. 6.** (1) The authority may enter into:

(a) Information sharing agreements with federal and state agencies and other state exchanges to carry out the provisions of this act: PROVIDED, That such agreements include adequate protections with respect to the confidentiality of the information to be shared and comply with all state and federal laws and regulations; and

(b) Interdepartmental agreements with the office of the insurance commissioner, the department of social and health services, the department of health, and any other state agencies necessary to implement this act.

(2) To the extent funding is available, the authority shall:

(a) Provide staff and resources to implement this act;

(b) Manage and administer the grant and other funds; and

(c) Expend funds specifically appropriated by the legislature to implement the provisions of this act.

(3) Beginning January 1, 2012, the board shall:

(a) Be responsible for the duties imposed on the authority under this section; and

(b) Have the powers granted to the authority under this section.

NEW SECTION. **Sec. 7.** The health benefit exchange account is created in the custody of the state treasurer. All receipts from federal grants received under the affordable care act shall be deposited into the account. Expenditures from the account may be used only for purposes consistent with the grants. Until January 1, 2012, only the administrator of the health care authority, or his or her designee, may authorize expenditures from the account. Beginning January 1, 2012, only the board of the Washington health benefit exchange may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. **Sec. 8.** Sections 1 through 6 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. **Sec. 9.** If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state."

Correct the title.

Representative Hinkle moved the adoption of amendment (647) to amendment (646).

On page 3, line 1 of the striking amendment, after "By" strike "August 1" and insert "October 1"

On page 3, line 20 of the striking amendment, after "By" strike "October 1" and insert "December 15"

On page 3, line 31 of the striking amendment, after "By" strike "October 1" and insert "December 15"

On page 8, line 24 of the striking amendment, after "Beginning" strike "January 1" and insert "March 15"

On page 8, beginning on line 25 of the striking amendment, after "to" strike "January 1" and insert "March 15"

On page 9, line 8 of the striking amendment, after "Beginning" strike "January 1" and insert "March 15"

On page 9, line 16 of the striking amendment, after "Until" strike "January 1" and insert "March 15"

On page 9, at the beginning of line 19 of the striking amendment, strike "January 1" and insert "March 15"

Representatives Hinkle and Cody spoke in favor of the adoption of the amendment to the amendment.

Amendment (647) was adopted.

Representatives Cody, Schmick and Hinkle spoke in favor of the adoption of amendment (646).

Amendment (646) was adopted as amended.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5445, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5445, as amended by the House, and the bill passed the House by the following vote: Yeas, 75; Nays, 22; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Asay, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox and Mr. Speaker.

Voting nay: Representatives Ahern, Armstrong, Bailey, Chandler, Condotta, Crouse, DeBolt, Haler, Hargrove, Johnson, Klippert, Kretz, McCune, Overstreet, Parker, Rivers, Rodne, Ross, Shea, Short, Taylor and Zeiger.

SUBSTITUTE SENATE BILL NO. 5445, as amended by the House, having received the necessary constitutional majority, was declared passed.

POINT OF PARLIAMENTARY INQUIRY

Representative Wilcox: "Mr. Speaker I rise to a point of parliamentary inquiry with respect to my elibility to vote on Substitute Senate Bill No. 5487 dealing with eggs and egg products. Mr. Speaker, House Rule 19(D) based in large part on Article II Section 30 of our State Constitution provides that no member shall vote on any question which affects the member privately and particularly. I understand, Mr. Speaker, that the question of whether or not a member has an interest in legislation which is so privately and particularly attached to the member as to prohibit voting on the matter is a fact specific determination. Mr. Speaker, I own approximately 25% of Wilcox Farms Inc, much of this as a trustee for my children's trust. Wilcox Farms is one of the six major egg producers in Washington and I would guess that we have about 20% of the hens in Washington. Under these facts Mr. Speaker, should I refrain from voting on Substitute Senate Bill No. 5487?"

SPEAKER'S RULING

Mr. Speaker (Representative Moeller presiding): "Thank you Representative Wilcox for bringing this question to the body. House Rule 19(D), which is based on article 2, section 30 of our state constitution, states that "no member shall vote on any question which affects that member privately and particularly." Before directly ruling on the question, the Speaker would like to take a moment to offer members some guidance as to the criteria used in evaluating it. This legislature is, by constitutional design, a citizen legislature. This design is based on the premise that the people of Washington are best represented by members who are concurrently engaged in outside employment and activities, and can bring this real world experience and expertise to bear on the issues before this body. Furthermore each of us, whether employed outside the legislature or not, has interests which may be affected by decisions made in this body – whether as parents of children in our public schools, as consumers of medical care, or as investors in the private sector. The question as to whether such an interest requires recusal from voting turns on whether the interest can be deemed unique to a member or whether it flows from inclusion in a class. Substitute Senate Bill 5487 regulates persons and companies licensed as egg handlers. According to the Department of Agriculture, there are approximately 650 licensed egg handlers in Washington whose business operations will be changed by enactment of this legislation. Representative Wilcox, given the size of the class of persons affected, the Speaker finds that the interest you have is neither private nor particular, and does not warrant your recusal under House Rules or the State Constitution."

SUBSTITUTE SENATE BILL NO. 5487, by Senate Committee on Agriculture & Rural Economic Development

(originally sponsored by Senators Schoesler, Hatfield, Hobbs, Delvin, Honeyford, Becker and Shin)

Establishing a certification program for commercial egg laying chicken operations. Revised for 1st Substitute: Regarding eggs and egg products in intrastate commerce.

The bill was read the second time.

Representative Blake moved the adoption of amendment (518). 0)

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 69.25.020 and 1995 c 374 s 25 are each amended to read as follows:

When used in this chapter the following terms shall have the indicated meanings, unless the context otherwise requires:

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

(2) "Director" means the director of the department or his duly authorized representative.

(3) "Person" means any natural person, firm, partnership, exchange, association, trustee, receiver, corporation, and any member, officer, or employee thereof, or assignee for the benefit of creditors.

(4) "Adulterated" applies to any egg or egg product under one or more of the following circumstances:

(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, such article shall not be considered adulterated under this clause if the quantity of such substance in or on such article does not ordinarily render it injurious to health;

(b) If it bears or contains any added poisonous or added deleterious substance (other than one which is: (i) A pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive) which may, in the judgment of the director, make such article unfit for human food;

(c) If it is, in whole or in part, a raw agricultural commodity and such commodity bears or contains a pesticide chemical which is unsafe within the meaning of RCW 69.04.392, as enacted or hereafter amended;

(d) If it bears or contains any food additive which is unsafe within the meaning of RCW 69.04.394, as enacted or hereafter amended;

(e) If it bears or contains any color additive which is unsafe within the meaning of RCW 69.04.396((~~, as enacted or hereafter amended: PROVIDED, That~~)); however, an article which is not otherwise deemed adulterated under subsection (4)(c), (d), or (e) of this section shall nevertheless be deemed adulterated if use of the pesticide chemical, food additive, or color additive, in or on such article, is prohibited by regulations of the director in official plants;

(f) If it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for human food;

(g) If it consists in whole or in part of any damaged egg or eggs to the extent that the egg meat or white is leaking, or it has been contacted by egg meat or white leaking from other eggs;

(h) If it has been prepared, packaged, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health;

(i) If it is an egg which has been subjected to incubation or the product of any egg which has been subjected to incubation;

(j) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health;

(k) If it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to RCW 69.04.394; or

(l) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or if any substance has been substituted, wholly or in part therefor; or if damage or inferiority has been concealed in any manner; or if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

(5) "Capable of use as human food" shall apply to any egg or egg product unless it is denatured, or otherwise identified, as required by regulations prescribed by the director, to deter its use as human food.

(6) "Intrastate commerce" means any eggs or egg products in intrastate commerce, whether such eggs or egg products are intended for sale, held for sale, offered for sale, sold, stored, transported, or handled in this state in any manner and prepared for eventual distribution in this state, whether at wholesale or retail.

(7) "Container" or "package" includes any box, can, tin, plastic, or other receptacle, wrapper, or cover.

(8) "Immediate container" means any consumer package, or any other container in which egg products, not consumer-packaged, are packed.

(9) "Shipping container" means any container used in packaging a product packed in an immediate container.

(10) "Egg handler" or "dealer" means any person who produces, contracts for or obtains possession or control of any eggs or egg products for the purpose of sale to another dealer or retailer, or for processing and sale to a dealer, retailer or consumer((~~: PROVIDED, That~~)). For the purpose of this chapter, "sell" or "sale" includes the following: Offer for sale, expose for sale, have in possession for sale, exchange, barter, trade, or as an inducement for the sale of another product.

(11)(a) "Egg product" means any dried, frozen, or liquid eggs, with or without added ingredients, excepting products which contain eggs only in a relatively small proportion, or historically have not been, in the judgment of the director, considered by consumers as products of the egg food industry, and which may be exempted by the director under such conditions as ((~~he~~)) the director may prescribe to assure that the egg ingredients are not adulterated and ((~~such products~~)) are not represented as egg products.

(b) The following products are not included in the definition of "egg product" if they are prepared from eggs or egg products that have been either inspected by the United States department of agriculture or by the department under a cooperative agreement with the United States department of agriculture: Freeze-dried products, imitation egg products, egg substitutes, dietary foods, dried no-bake custard mixes, egg nog mixes, acidic dressings, noodles, milk and egg dip, cake mixes, French toast, balut and other similar ethnic delicacies, and sandwiches containing eggs or egg products.

(12) "Egg" means the shell egg of the domesticated chicken, turkey, duck, goose, or guinea, or any other specie of fowl.

(13) "Check" means an egg that has a broken shell or crack in the shell but has its shell membranes intact and contents not leaking.

(14) "Clean and sound shell egg" means any egg whose shell is free of adhering dirt or foreign material and is not cracked or broken.

(15) "Dirty egg" means an egg that has a shell that is unbroken and has adhering dirt or foreign material.

(16) "Incubator reject" means an egg that has been subjected to incubation and has been removed from incubation during the hatching operations as infertile or otherwise unhatchable.

(17) "Inedible" means eggs of the following descriptions: Black rots, yellow rots, white rots, mixed rots (addled eggs), sour eggs, eggs with green whites, eggs with stuck yolks, moldy eggs, musty eggs, eggs showing blood rings, and eggs containing embryo chicks (at or beyond the blood ring stage).

(18) "Leaker" means an egg that has a crack or break in the shell and shell membranes to the extent that the egg contents are exposed or are exuding or free to exude through the shell.

(19) "Loss" means an egg that is unfit for human food because it is smashed or broken so that its contents are leaking; or overheated, frozen, or contaminated; or an incubator reject; or because it contains a bloody white, large meat spots, a large quantity of blood, or other foreign material.

(20) "Restricted egg" means any check, dirty egg, incubator reject, inedible, leaker, or loss.

(21) "Inspection" means the application of such inspection methods and techniques as are deemed necessary by the director to carry out the provisions of this chapter.

(22) "Inspector" means any employee or official of the department authorized to inspect eggs or egg products under the authority of this chapter.

(23) "Misbranded" shall apply to egg products which are not labeled and packaged in accordance with the requirements prescribed by regulations of the director under RCW 69.25.100.

(24) "Official certificate" means any certificate prescribed by regulations of the director for issuance by an inspector or other person performing official functions under this chapter.

(25) "Official device" means any device prescribed or authorized by the director for use in applying any official mark.

(26) "Official inspection legend" means any symbol prescribed by regulations of the director showing that egg products were inspected in accordance with this chapter.

(27) "Official mark" means the official inspection legend or any other symbol prescribed by regulations of the director to identify the status of any article under this chapter.

(28) "Official plant" means any plant which is licensed under the provisions of this chapter, at which inspection of the processing of egg products is maintained by the United States department of agriculture or by the state under cooperative agreements with the United States department of agriculture or by the state.

(29) "Official standards" means the standards of quality, grades, and weight classes for eggs, adopted under the provisions of this chapter.

(30) "Pasteurize" means the subjecting of each particle of egg products to heat or other treatments to destroy harmful, viable micro-organisms by such processes as may be prescribed by regulations of the director.

(31) "Pesticide chemical", "food additive", "color additive", and "raw agricultural commodity" shall have the same meaning for purposes of this chapter as prescribed in chapter 69.04 RCW.

(32) "Plant" means any place of business where egg products are processed.

(33) "Processing" means manufacturing egg products, including breaking eggs or filtering, mixing, blending, pasteurizing, stabilizing, cooling, freezing, drying, or packaging egg products.

(34) "Retailer" means any person in intrastate commerce who sells eggs to a consumer.

(35) "At retail" means any transaction in intrastate commerce between a retailer and a consumer.

(36) "Consumer" means any person who purchases eggs for his or her own family use or consumption; or any restaurant, hotel, boarding house, bakery, or other institution or concern which purchases eggs for serving to guests or patrons thereof, or for its own use in cooking or baking.

(37) "Candling" means the examination of the interior of eggs by the use of transmitted light used in a partially dark room or place.

(38) "Master license system" means the mechanism established by chapter 19.02 RCW by which master licenses, endorsed for individual state-issued licenses, are issued and renewed utilizing a master application and a master license expiration date common to each renewable license endorsement.

(39) "Ambient temperature" means the atmospheric temperature surrounding or encircling shell eggs.

Sec. 2. RCW 69.25.050 and 1995 c 374 s 26 are each amended to read as follows:

(1)(a) No person shall act as an egg handler or dealer without first obtaining an annual license and permanent dealer's number from the department((~~; such license shall expire on the master license expiration date~~)).

(b) Application for an egg dealer license or egg dealer branch license((~~, shall~~)) must be made through the master license system as provided under chapter 19.02 RCW and expires on the master license expiration date. The annual egg dealer license fee ((~~shall be~~)) is thirty dollars and the annual egg dealer branch license fee ((~~shall be~~)) is fifteen dollars. A copy of the master license ((~~shall~~)) must be posted at each location where ((~~such~~)) the licensee operates. ((~~Such~~)) The application ((~~shall~~)) must include the full name of the applicant for the license ((~~and~~)), the location of each facility ((~~he~~)) the applicant intends to operate, and, if applicable, documentation of compliance with section 3 or 4 of this act.

(2) If ((~~such~~)) an applicant is an individual, receiver, trustee, firm, partnership, association or corporation, the full name of each member of the firm or partnership or the names of the officers of the association or corporation shall be given on the application. ((~~Such~~)) The application ((~~shall~~)) must further state the principal business address of the applicant in the state and elsewhere and the name of a person domiciled in this state authorized to receive and accept service of summons of legal notices of all kinds for the applicant and any other necessary information prescribed by the director.

(3) The applicant must be issued a license or renewal under this section upon the approval of the application and compliance with the provisions of this chapter, including the applicable ((~~regulations~~)) rules adopted ((~~hereunder~~)) by the department((~~, the applicant shall be issued a license or renewal thereof~~)).

((~~Such~~)) (4) The license and permanent egg handler or dealer's number ((~~shall be~~)) is nontransferable.

NEW SECTION. **Sec. 3.** A new section is added to chapter 69.25 RCW to read as follows:

(1) All new and renewal applications submitted under RCW 69.25.050 before January 1, 2026, must include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations:

(a) With a current certification under the 2010 version of the united egg producers animal husbandry guidelines for United States egg laying flocks for conventional cage systems or cage-free systems or a subsequent version of the guidelines recognized by the department in rule; or

(b) Operated in strict compliance with any standards, adopted by the department in rule, that are equivalent to or more stringent than the standards identified in (a) of this subsection.

(2) All new and renewal applications submitted under RCW 69.25.050 before January 1, 2017, must, in addition to complying with subsection (1) of this section, include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations whose housing facilities, if built between January 1, 2012, and December 31, 2016, are either:

(a) Approved under, or convertible to, the American humane association facility system plan for enriched colony housing in effect on January 1, 2011, or a subsequent version of the plan recognized by the department in rule; or

(b) Operated in strict compliance with any standards, adopted by the department in rule, that are equivalent to or more stringent than the standards identified in (a) of this subsection.

(3) All new and renewal applications submitted under RCW 69.25.050 between January 1, 2017, and December 31, 2025, must, in addition to complying with subsection (1) of this section, include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations

whose housing facilities, if built on or after January 1, 2012, are either:

(a) Approved under the American humane association facility system plan and audit protocol for enriched colony housing in effect on January 1, 2011, or a subsequent version of the plan recognized by the department in rule; or

(b) Operated in strict compliance with any standards, adopted by the department in rule, that are equivalent to or more stringent than the standards identified in (a) of this subsection.

(4) All new and renewal applications submitted under RCW 69.25.050 on or after January 1, 2026, must include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations that are either:

(a) Approved under the American humane association facility system plan and audit protocol for enriched colony housing in effect on January 1, 2011, or a subsequent version of the plan recognized by the department in rule; or

(b) Operated in strict compliance with any standards, adopted by the department in rule, that are equivalent to or more stringent than the standards identified in (a) of this subsection.

(5) The following are exempt from the requirements of subsections (2) and (3) of this section:

(a) Applicants with fewer than three thousand laying chickens; and

(b) Commercial egg layer operations when producing eggs or egg products from turkeys, ducks, geese, guineas, or other species of fowl other than domestic chickens.

NEW SECTION. **Sec. 4.** A new section is added to chapter 69.25 RCW to read as follows:

Any egg handler or dealer involved with the in-state production of eggs or egg products only intended for sale outside of the state of Washington must ensure that the associated commercial egg layer operation is in compliance with the applicable standards as provided in section 3 of this act.

Sec. 5. RCW 69.25.250 and 1995 c 374 s 29 are each amended to read as follows:

(1)(a) There is hereby levied an assessment not to exceed three mills per dozen eggs entering intrastate commerce, as prescribed by rules ((~~and regulations~~)) issued by the director. ((~~Such~~)) The assessment ((~~shall be~~)) is applicable to all eggs entering intrastate commerce, except as provided in RCW 69.25.170 and 69.25.290((~~. Such assessment shall~~)), and must be paid to the director on a monthly basis on or before the tenth day following the month ((~~such~~)) the eggs enter intrastate commerce.

(b) The director may require reports by egg handlers or dealers along with the payment of the assessment fee. ((~~Such~~)) The reports may include any and all pertinent information necessary to carry out the purposes of this chapter.

(c) The director may, by ((~~regulations~~)) rule, require egg container manufacturers to report on a monthly basis all egg containers sold to any egg handler or dealer and bearing such egg handler or dealer's permanent number.

(2) Egg products in intrastate commerce are exempt from the assessment in subsection (1) of this section.

NEW SECTION. **Sec. 6.** This act takes effect August 1, 2012.

NEW SECTION. **Sec. 7.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

With the consent of the house, amendment (535) to amendment (518) was withdrawn.

Representative Haigh moved the adoption of amendment (645) to amendment (518).

0)

On page 7, line 24 of the striking amendment, after "rule" insert "and, in addition, are convertible to the standards identified in section 5 of this act"

On page 7, line 37 of the striking amendment, after "rule" insert "and, in addition, are operated to the standards identified in section 5 of this act"

On page 8, line 11 of the striking amendment, after "rule" insert "and, in addition, are operated to the standards identified in section 5 of this act"

On page 8, after line 27 of the striking amendment, insert the following:

"NEW SECTION. **Sec. 5.** A new section is added to chapter 69.25 RCW to read as follows:

(1) All commercial egg layer operations required under section 3 of this act to meet the American humane association facility system plan, or an equivalent to the plan, must also ensure that all hens in the operation are provided with:

(a) No less than one hundred sixteen and three-tenths square inches of space per hen; and

(b) Access to areas for nesting, scratching, and perching.

(2) The requirements of this section apply for any commercial egg layer operation on the same dates that section 3 of this act requires compliance with the American humane association facility system plan or an equivalent to the plan."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Haigh and Chandler spoke in favor of the adoption of the amendment to the amendment.

Amendment (645) was adopted.

Representative Liias moved the adoption of amendment (555) to amendment (518).

On page 8, line 15 of the striking amendment, after "(5)" insert "(a) All new and renewal applications submitted under RCW 69.25.050 on or after January 1, 2018, must, in addition to complying with all provisions of this section, include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations that do not, except as otherwise provided in this subsection, confine egg-laying hens to cages that:

(i) Prevent the hen from turning around freely, lying down, standing up, or fully extending the hen's wings; or

(ii) Are stacked or otherwise placed on top of or below another cage confining one or more egg-laying hens.

(b) Nothing in this subsection limits the ability of the department to issue a new or renewal license if the applicant commercial egg layer operation only violates the provisions of this subsection in the following instances:

(i) During medical research;

(ii) During examinations, testing, individual treatments, or veterinarian operations;

(iii) During transportation;

(iv) During temporary confinement for animal husbandry purposes for no more than twelve hours in any twenty-four hour period;

(v) During state or county fair exhibitions and similar exhibitions or educations programs; and

(vi) During humane slaughter in accordance with all applicable laws and regulations.

(c) The requirements of this subsection must be satisfied regardless of any conflicts that may exist among the requirements of

this section and the requirements contained in the standards identified in (1) through (4) of this section.

(6)"

Representative Liias spoke in favor of the adoption of the amendment to the amendment.

Representatives Blake and Chandler spoke against the adoption of the amendment to the amendment.

Amendment (555) was not adopted.

Representatives Blake, Haigh and Chandler spoke in favor of the adoption of amendment (518) as amended.

Amendment (518) was adopted as amended.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Blake, Chandler and Haigh spoke in favor of the passage of the bill.

Representative Rolfes spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5487, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5487, as amended by the House, and the bill passed the House by the following vote: Yeas, 70; Nays, 27; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Angel, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, DeBolt, Eddy, Fagan, Finn, Green, Haigh, Haler, Harris, Hasegawa, Hinkle, Hope, Hurst, Jinkins, Johnson, Kelley, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Parker, Pearson, Pettigrew, Probst, Rivers, Roberts, Ross, Santos, Schmick, Seaquist, Sells, Short, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Anderson, Appleton, Crouse, Darneille, Dickerson, Dunshee, Fitzgibbon, Frockt, Goodman, Hargrove, Hudgins, Hunt, Hunter, Kagi, Kenney, Liias, Orwall, Overstreet, Pedersen, Reykdal, Rodne, Rolfes, Ryu, Shea, Taylor and Upthegrove.

SUBSTITUTE SENATE BILL NO. 5487, as amended by the House, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote NAY on Substitute Senate Bill No. 5487.

Representative Ormsby, 3rd District

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

There being no objection, the House adjourned until 10:00 a.m., April 12, 2011, the 93rd Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk