

By Representative Sawyer

**SHB 2334** - H COMM AMD

By Committee on Appropriations

1 On page 9, after line 5 insert the following:

2

3 **"Sec. 3.** RCW 69.50.325 and 2017 c 317 s 1 are each amended to  
4 read as follows:

5 (1) There shall be a marijuana producer's license regulated by  
6 the state liquor and cannabis board and subject to annual renewal.  
7 The licensee is authorized to produce: (a) Marijuana for sale at  
8 wholesale to marijuana processors and other marijuana producers; (b)  
9 immature plants or clones and seeds for sale to cooperatives as  
10 described under RCW 69.51A.250; and (c) immature plants or clones  
11 and seeds for sale to qualifying patients and designated providers  
12 as provided under RCW 69.51A.310. The production, possession,  
13 delivery, distribution, and sale of marijuana in accordance with the  
14 provisions of this chapter and the rules adopted to implement and  
15 enforce it, by a validly licensed marijuana producer, shall not be a  
16 criminal or civil offense under Washington state law. Every  
17 marijuana producer's license shall be issued in the name of the  
18 applicant, shall specify the location at which the marijuana  
19 producer intends to operate, which must be within the state of  
20 Washington, and the holder thereof shall not allow any other person  
21 to use the license. The application fee for a marijuana producer's  
22 license shall be two hundred fifty dollars. The annual fee for  
23 issuance and renewal of a marijuana producer's license shall be one  
24 thousand three hundred eighty-one dollars. A separate license shall  
25 be required for each location at which a marijuana producer intends  
26 to produce marijuana.

27

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

22 (3) (a) There shall be a marijuana retailer's license to sell  
23 marijuana concentrates, useable marijuana, and marijuana-infused  
24 products at retail in retail outlets, regulated by the state liquor  
25 and cannabis board and subject to annual renewal. The possession,  
26 delivery, distribution, and sale of marijuana concentrates, useable  
27 marijuana, and marijuana-infused products in accordance with the  
28 provisions of this chapter and the rules adopted to implement and  
29 enforce it, by a validly licensed marijuana retailer, shall not be a  
30 criminal or civil offense under Washington state law. Every  
31 marijuana retailer's license shall be issued in the name of the  
32 applicant, shall specify the location of the retail outlet the  
33 licensee intends to operate, which must be within the state of  
34 Washington, and the holder thereof shall not allow any other person

1 to use the license. The application fee for a marijuana retailer's  
2 license shall be two hundred fifty dollars. The annual fee for  
3 issuance and renewal of a marijuana retailer's license shall be one  
4 thousand three hundred eighty-one dollars. A separate license shall  
5 be required for each location at which a marijuana retailer intends  
6 to sell marijuana concentrates, useable marijuana, and marijuana-  
7 infused products.

8 (b) An individual retail licensee and all other persons or  
9 entities with a financial or other ownership interest in the  
10 business operating under the license are limited, in the aggregate,  
11 to holding a collective total of not more than five retail marijuana  
12 licenses.

13 (c) (i) A marijuana retailer's license is subject to forfeiture  
14 in accordance with rules adopted by the state liquor and cannabis  
15 board pursuant to this section.

16 (ii) The state liquor and cannabis board shall adopt rules to  
17 establish a license forfeiture process for a licensed marijuana  
18 retailer that is not fully operational and open to the public within  
19 a specified period from the date of license issuance, as established  
20 by the state liquor and cannabis board, subject to the following  
21 restrictions:

22 (A) No marijuana retailer's license may be subject to forfeiture  
23 within the first nine months of license issuance; and

24 (B) The state liquor and cannabis board must require license  
25 forfeiture on or before twenty-four calendar months of license  
26 issuance if a marijuana retailer is not fully operational and open  
27 to the public, unless the board determines that circumstances out of  
28 the licensee's control are preventing the licensee from becoming  
29 fully operational and that, in the board's discretion, the  
30 circumstances warrant extending the forfeiture period beyond twenty-  
31 four calendar months.

32 (iii) The state liquor and cannabis board has discretion in  
33 adopting rules under this subsection (3)(c).

34

1 (iv) This subsection (3)(c) applies to marijuana retailer's  
2 licenses issued before and after July 23, 2017. However, no license  
3 of a marijuana retailer that otherwise meets the conditions for  
4 license forfeiture established pursuant to this subsection (3)(c)  
5 may be subject to forfeiture within the first nine calendar months  
6 of July 23, 2017.

7 (v) The state liquor and cannabis board may not require license  
8 forfeiture if the licensee has been incapable of opening a fully  
9 operational retail marijuana business due to actions by the city,  
10 town, or county with jurisdiction over the licensee that include any  
11 of the following:

12 (A) The adoption of a ban or moratorium that prohibits the  
13 opening of a retail marijuana business; or

14 (B) The adoption of an ordinance or regulation related to  
15 zoning, business licensing, land use, or other regulatory measure  
16 that has the effect of preventing a licensee from receiving an  
17 occupancy permit from the jurisdiction or which otherwise prevents a  
18 licensed marijuana retailer from becoming operational.

19

20 NEW SECTION. Sec. 4. Section 3 takes effect July 1, 2018."

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22 Correct the title.

EFFECT: Increases the annual fee for issuance and renewal of  
licenses for marijuana producers, processors and retailers from  
\$1300.00 to \$1381.00, beginning July 1, 2018.

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