

SHB 2022 - H COMM AMD

By Committee on Appropriations

1 On page 18, after line 40, insert the following:

2 **"Sec. 7.** RCW 69.50.325 and 2020 c 236 s 6 are each amended to
3 read as follows:

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

25 (2) There shall be a marijuana processor's license to process,
26 package, and label marijuana concentrates, useable marijuana, and
27 marijuana-infused products for sale at wholesale to marijuana
28 processors and marijuana retailers, regulated by the board and
29 subject to annual renewal. The processing, packaging, possession,
30 delivery, distribution, and sale of marijuana, useable marijuana,
31 marijuana-infused products, and marijuana concentrates in accordance

1 with the provisions of this chapter and chapter 69.51A RCW and the
2 rules adopted to implement and enforce these chapters, by a validly
3 licensed marijuana processor, shall not be a criminal or civil
4 offense under Washington state law. Every marijuana processor's
5 license shall be issued in the name of the applicant, shall specify
6 the location at which the licensee intends to operate, which must be
7 within the state of Washington, and the holder thereof shall not
8 allow any other person to use the license. The application fee for a
9 marijuana processor's license shall be two hundred fifty dollars. The
10 annual fee for issuance and renewal of a marijuana processor's
11 license shall be one thousand three hundred eighty-one dollars. A
12 separate license shall be required for each location at which a
13 marijuana processor intends to process marijuana.

14 (3)(a) There shall be a marijuana retailer's license to sell
15 marijuana concentrates, useable marijuana, and marijuana-infused
16 products at retail in retail outlets, regulated by the board and
17 subject to annual renewal. The possession, delivery, distribution,
18 and sale of marijuana concentrates, useable marijuana, and marijuana-
19 infused products in accordance with the provisions of this chapter
20 and the rules adopted to implement and enforce it, by a validly
21 licensed marijuana retailer, shall not be a criminal or civil offense
22 under Washington state law. Every marijuana retailer's license shall
23 be issued in the name of the applicant, shall specify the location of
24 the retail outlet the licensee intends to operate, which must be
25 within the state of Washington, and the holder thereof shall not
26 allow any other person to use the license. The application fee for a
27 marijuana retailer's license shall be two hundred fifty dollars. The
28 annual fee for issuance and renewal of a marijuana retailer's license
29 shall be one thousand three hundred eighty-one dollars. A separate
30 license shall be required for each location at which a marijuana
31 retailer intends to sell marijuana concentrates, useable marijuana,
32 and marijuana-infused products.

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

37 (c)(i) A marijuana retailer's license is subject to forfeiture in
38 accordance with rules adopted by the board pursuant to this section
39 or as provided in subsection (4) of this section.

1 (ii) The board shall adopt rules to establish a license
2 forfeiture process for a licensed marijuana retailer that is not
3 fully operational and open to the public within a specified period
4 from the date of license issuance, as established by the board,
5 subject to the following restrictions:

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

8 (B) The board must require license forfeiture on or before
9 twenty-four calendar months of license issuance if a marijuana
10 retailer is not fully operational and open to the public, unless the
11 board determines that circumstances out of the licensee's control are
12 preventing the licensee from becoming fully operational and that, in
13 the board's discretion, the circumstances warrant extending the
14 forfeiture period beyond twenty-four calendar months.

15 (iii) The board has discretion in adopting rules under this
16 subsection (3)(c).

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

23 (v) The board may not require license forfeiture if the licensee
24 has been incapable of opening a fully operational retail marijuana
25 business due to actions by the city, town, or county with
26 jurisdiction over the licensee that include any of the following:

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

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

34 (d) The board may issue marijuana retailer licenses pursuant to
35 this chapter and RCW 69.50.335.

36 (4) A marijuana producer, processor, or retailer license under
37 which no sales of marijuana or marijuana products have been made for
38 more than one year shall be forfeited."

1 Renumber the remaining sections consecutively, correct any
2 internal references accordingly, and correct the title.

EFFECT: Specifies that marijuana producer, processor, or retailer licenses under which no sales of marijuana or marijuana products have been made for more than one year must be forfeited.

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