

By Representative Reeves

E2SSB 5080 - H COMM AMD TO RSG COMM AMD (H-1688.2/23)

By Committee on Regulated Substances & Gaming

1 On page 1, line 9, after "equity applicants" insert "as defined
2 in RCW 69.50.335"

3 On page 1, line 10, after "plans" strike "under RCW 69.50.335"
4 and insert "~~((under RCW 69.50.335))~~ as defined in RCW 69.50.101"

5 On page 1, beginning on line 11, after "issued after" strike
6 "June 30, 2020, and before July 25, 2021" and insert "~~((June 30,~~
7 ~~2020, and before July 25, 2021))~~ April 1, 2023, and before July 1,
8 2024"

9 On page 1, line 31, after "plan" insert "as defined in RCW
10 69.50.101"

11 On page 9, beginning on line 32, after "retail" strike "or
12 cannabis processing business activity" and insert ", cannabis
13 production, or cannabis processing business activities, as
14 applicable,"

15 On page 9, line 34, after "license" insert ", cannabis producer
16 license,"

17 On page 12, line 33, after "retailer" insert ", producer, and
18 processor"

19 Beginning on page 12, line 38, strike all material through
20 "prohibition." on page 13, line 22 and insert "~~((d) "Social equity~~
21 ~~plan" means a plan that addresses at least some of the elements~~
22 ~~outlined in this subsection (6) (d), along with any additional plan~~
23 ~~components or requirements approved by the board following~~
24 ~~consultation with the task force created in RCW 69.50.336. The plan~~
25 ~~may include:~~

26 ~~(i) A statement that the social equity applicant qualifies as a~~
27 ~~social equity applicant and intends to own at least fifty-one percent~~
28 ~~of the proposed cannabis retail business or applicants representing~~

1 ~~at least fifty-one percent of the ownership of the proposed business~~
2 ~~qualify as social equity applicants;~~

3 ~~(ii) A description of how issuing a cannabis retail license to~~
4 ~~the social equity applicant will meet social equity goals;~~

5 ~~(iii) The social equity applicant's personal or family history~~
6 ~~with the criminal justice system including any offenses involving~~
7 ~~cannabis;~~

8 ~~(iv) The composition of the workforce the social equity applicant~~
9 ~~intends to hire;~~

10 ~~(v) Neighborhood characteristics of the location where the social~~
11 ~~equity applicant intends to operate, focusing especially on~~
12 ~~disproportionately impacted areas; and~~

13 ~~(vi) Business plans involving partnerships or assistance to~~
14 ~~organizations or residents with connection to populations with a~~
15 ~~history of high rates of enforcement of cannabis prohibition.))"~~

16 On page 20, after line 7, insert the following:

17 **"Sec. 6.** RCW 69.50.101 and 2022 c 16 s 51 are each reenacted and
18 amended to read as follows:

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

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

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

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

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

32 (c) "Board" means the Washington state liquor and cannabis board.

33 (d) "Cannabis" means all parts of the plant *Cannabis*, whether
34 growing or not, with a THC concentration greater than 0.3 percent on
35 a dry weight basis; the seeds thereof; the resin extracted from any
36 part of the plant; and every compound, manufacture, salt, derivative,
37 mixture, or preparation of the plant, its seeds or resin. The term
38 does not include:

1 (1) The mature stalks of the plant, fiber produced from the
2 stalks, oil or cake made from the seeds of the plant, any other
3 compound, manufacture, salt, derivative, mixture, or preparation of
4 the mature stalks (except the resin extracted therefrom), fiber, oil,
5 or cake, or the sterilized seed of the plant which is incapable of
6 germination; or

7 (2) Hemp or industrial hemp as defined in RCW 15.140.020, seeds
8 used for licensed hemp production under chapter 15.140 RCW.

9 (e) "Cannabis concentrates" means products consisting wholly or
10 in part of the resin extracted from any part of the plant *Cannabis*
11 and having a THC concentration greater than ten percent.

12 (f) "Cannabis processor" means a person licensed by the board to
13 process cannabis into cannabis concentrates, useable cannabis, and
14 cannabis-infused products, package and label cannabis concentrates,
15 useable cannabis, and cannabis-infused products for sale in retail
16 outlets, and sell cannabis concentrates, useable cannabis, and
17 cannabis-infused products at wholesale to cannabis retailers.

18 (g) "Cannabis producer" means a person licensed by the board to
19 produce and sell cannabis at wholesale to cannabis processors and
20 other cannabis producers.

21 (h) "Cannabis products" means useable cannabis, cannabis
22 concentrates, and cannabis-infused products as defined in this
23 section.

24 (i) "Cannabis researcher" means a person licensed by the board to
25 produce, process, and possess cannabis for the purposes of conducting
26 research on cannabis and cannabis-derived drug products.

27 (j) "Cannabis retailer" means a person licensed by the board to
28 sell cannabis concentrates, useable cannabis, and cannabis-infused
29 products in a retail outlet.

30 (k) "Cannabis-infused products" means products that contain
31 cannabis or cannabis extracts, are intended for human use, are
32 derived from cannabis as defined in subsection (d) of this section,
33 and have a THC concentration no greater than ten percent. The term
34 "cannabis-infused products" does not include either useable cannabis
35 or cannabis concentrates.

36 (l) "CBD concentration" has the meaning provided in RCW
37 69.51A.010.

38 (m) "CBD product" means any product containing or consisting of
39 cannabidiol.

40 (n) "Commission" means the pharmacy quality assurance commission.

1 (o) "Controlled substance" means a drug, substance, or immediate
2 precursor included in Schedules I through V as set forth in federal
3 or state laws, or federal or commission rules, but does not include
4 hemp or industrial hemp as defined in RCW 15.140.020.

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

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

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

18 (2) The term does not include:

19 (i) a controlled substance;

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

22 (iii) a substance with respect to which an exemption is in effect
23 for investigational use by a particular person under Section 505 of
24 the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 355, or
25 chapter 69.77 RCW to the extent conduct with respect to the substance
26 is pursuant to the exemption; or

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

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

33 (r) "Department" means the department of health.

34 (s) "Designated provider" has the meaning provided in RCW
35 69.51A.010.

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

1 (u) "Dispenser" means a practitioner who dispenses.

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

4 (w) "Distributor" means a person who distributes.

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

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

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

24 (aa) "Immature plant or clone" means a plant or clone that has no
25 flowers, is less than twelve inches in height, and is less than
26 twelve inches in diameter.

27 (bb) "Immediate precursor" means a substance:

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

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

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

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

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

6 (ee) "Lot number" must identify the licensee by business or trade
7 name and Washington state unified business identifier number, and the
8 date of harvest or processing for each lot of cannabis, cannabis
9 concentrates, useable cannabis, or cannabis-infused product.

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

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

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

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

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

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

40 (3) Poppy straw and concentrate of poppy straw.

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

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

5 (6) Cocaine base.

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

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

10 (hh) "Opiate" means any substance having an addiction-forming or
11 addiction-sustaining liability similar to morphine or being capable
12 of conversion into a drug having addiction-forming or addiction-
13 sustaining liability. The term includes opium, substances derived
14 from opium (opium derivatives), and synthetic opiates. The term does
15 not include, unless specifically designated as controlled under RCW
16 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan
17 and its salts (dextromethorphan). The term includes the racemic and
18 levorotatory forms of dextromethorphan.

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

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

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

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

28 (mm) "Practitioner" means:

29 (1) A physician under chapter 18.71 RCW; a physician assistant
30 under chapter 18.71A RCW; an osteopathic physician and surgeon under
31 chapter 18.57 RCW; an optometrist licensed under chapter 18.53 RCW
32 who is certified by the optometry board under RCW 18.53.010 subject
33 to any limitations in RCW 18.53.010; a dentist under chapter 18.32
34 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a
35 veterinarian under chapter 18.92 RCW; a registered nurse, advanced
36 registered nurse practitioner, or licensed practical nurse under
37 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW
38 who is licensed under RCW 18.36A.030 subject to any limitations in
39 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific
40 investigator under this chapter, licensed, registered or otherwise

1 permitted insofar as is consistent with those licensing laws to
2 distribute, dispense, conduct research with respect to or administer
3 a controlled substance in the course of their professional practice
4 or research in this state.

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

9 (3) A physician licensed to practice medicine and surgery, a
10 physician licensed to practice osteopathic medicine and surgery, a
11 dentist licensed to practice dentistry, a podiatric physician and
12 surgeon licensed to practice podiatric medicine and surgery, a
13 licensed physician assistant or a licensed osteopathic physician
14 assistant specifically approved to prescribe controlled substances by
15 his or her state's medical commission or equivalent and his or her
16 supervising physician, an advanced registered nurse practitioner
17 licensed to prescribe controlled substances, or a veterinarian
18 licensed to practice veterinary medicine in any state of the United
19 States.

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

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

26 (pp) "Qualifying patient" has the meaning provided in RCW
27 69.51A.010.

28 (qq) "Recognition card" has the meaning provided in RCW
29 69.51A.010.

30 (rr) "Retail outlet" means a location licensed by the board for
31 the retail sale of cannabis concentrates, useable cannabis, and
32 cannabis-infused products.

33 (ss) "Secretary" means the secretary of health or the secretary's
34 designee.

35 (tt) "Social equity plan" means a plan that addresses at least
36 some of the elements outlined in this subsection (tt), along with any
37 additional plan components or requirements approved by the board
38 following consultation with the task force created in RCW 69.50.336.
39 The plan may include:

1 (1) A statement that indicates how the cannabis licensee will
2 work to promote social equity goals in their community;

3 (2) A description of how the cannabis licensee will meet social
4 equity goals as defined in RCW 69.50.335;

5 (3) The composition of the workforce the licensee has employed or
6 intends to hire; and

7 (4) Business plans involving partnerships or assistance to
8 organizations or residents with connections to populations with a
9 history of high rates of enforcement of cannabis prohibition.

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

14 ~~((uu))~~ (vv) "THC concentration" means percent of delta-9
15 tetrahydrocannabinol content per dry weight of any part of the plant
16 *Cannabis*, or per volume or weight of cannabis product, or the
17 combined percent of delta-9 tetrahydrocannabinol and
18 tetrahydrocannabinolic acid in any part of the plant *Cannabis*
19 regardless of moisture content.

20 ~~((vv))~~ (ww) "Ultimate user" means an individual who lawfully
21 possesses a controlled substance for the individual's own use or for
22 the use of a member of the individual's household or for
23 administering to an animal owned by the individual or by a member of
24 the individual's household.

25 ~~((ww))~~ (xx) "Useable cannabis" means dried cannabis flowers.
26 The term "useable cannabis" does not include either cannabis-infused
27 products or cannabis concentrates.

28 ~~((xx))~~ (yy) "Youth access" means the level of interest persons
29 under the age of twenty-one may have in a vapor product, as well as
30 the degree to which the product is available or appealing to such
31 persons, and the likelihood of initiation, use, or addiction by
32 adolescents and young adults."

33 Renumber the remaining sections consecutively, correct any
34 internal references accordingly, and correct the title.

EFFECT: Makes the following technical and clarifying changes:

(1) Corrects a reference to a date range in the context of which
cannabis licensees who meet social equity applicant criteria may be
eligible for technical assistance grants, so that both date range
references in the technical assistance grant program would be to

cannabis licensees holding a license issued after April 1, 2023, and before July 1, 2024.

(2) Adds a reference to "cannabis production" to a provision where only cannabis retail and processing business activity are referenced, to specify that licenses issued through the social equity program may generally be located in any city, town, or county that allows cannabis retail, cannabis production, or cannabis processing business activities, as applicable, at the proposed location.

(3) Amends the definition of "social equity goals" to also reference goals of increasing the number of cannabis producer and processor licenses (not only cannabis retailer licenses) held by social equity applicants from disproportionately impacted areas.

(4) Moves the amended definition of "social equity plan" to the definition section of the Uniform Controlled Substances Act and corrects related references.

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