

**HB 1449** - H COMM AMD

By Committee on Consumer Protection & Business

1 On page 3, line 30, after "plants" insert "obtained as provided  
2 in (f) of this subsection (7)"

3 On page 4, after line 22, insert the following:

4 "(f) Plants produced under this section must be lawfully sourced  
5 from a licensed cannabis producer as provided in RCW 69.50.325.

6 (g) Plants produced under this section and cannabis and cannabis  
7 products derived from those plants are subject to traceability  
8 requirements. The board shall make available a traceability system  
9 for persons age 21 or over to track production, harvesting, disposal,  
10 and any lawful sharing of cannabis and cannabis products derived from  
11 plants produced under this section. The board may establish a fee to  
12 be paid by persons using the system to recoup the administrative  
13 costs of administering this subsection (7) (g).

14 (h) Cannabis waste generated under this subsection (7) must be  
15 stored, managed, and disposed of in accordance with applicable state  
16 and local laws and rules. Cannabis waste that is not designated as  
17 dangerous waste under chapter 173-303 WAC may be rendered unuseable  
18 by grinding and incorporating the cannabis plant waste with other  
19 ground materials so the resulting mixture is at least 50 percent  
20 noncannabis waste by volume. Cannabis waste to be disposed of by an  
21 organic waste method may be mixed with food waste, yard waste,  
22 vegetable based grease or oils, or other wastes as approved by the  
23 board. Cannabis waste to be disposed of in a landfill or another  
24 disposal method may be mixed with the paper waste, cardboard waste,  
25 plastic waste, soil, or other wastes as approved by the board.  
26 Cannabis wastes rendered unuseable may be disposed of by delivery to  
27 a permitted solid waste facility or taken by a waste management  
28 service provider that accepts such waste for final disposition.  
29 Cannabis waste may not be provided for disposal to a solid waste  
30 facility or to a waste management service provider that has a policy  
31 against accepting cannabis waste generated under this section. No  
32 criminal liability may arise related to possession, transportation,

1 or disposal of cannabis waste for a solid waste facility or waste  
2 management service provider providing services for customers  
3 producing cannabis under this section."

4 On page 4, after line 34, insert the following:

5 **"Sec. 2.** RCW 69.50.325 and 2022 c 16 s 54 are each amended to  
6 read as follows:

7 (1) There shall be a cannabis producer's license regulated by the  
8 board and subject to annual renewal. The licensee is authorized to  
9 produce: (a) Cannabis for sale at wholesale to cannabis processors  
10 and other cannabis producers; (b) immature plants or clones and seeds  
11 for sale to cooperatives as described under RCW 69.51A.250; (~~and~~)  
12 (c) immature plants or clones and seeds for sale to qualifying  
13 patients and designated providers as provided under RCW 69.51A.310;  
14 and (d) immature plants or clones and seeds for sale to persons age  
15 21 and over as provided under RCW 69.50.4013(7). The production,  
16 possession, delivery, distribution, and sale of cannabis in  
17 accordance with the provisions of this chapter and the rules adopted  
18 to implement and enforce it, by a validly licensed cannabis producer,  
19 shall not be a criminal or civil offense under Washington state law.  
20 Every cannabis producer's license shall be issued in the name of the  
21 applicant, shall specify the location at which the cannabis producer  
22 intends to operate, which must be within the state of Washington, and  
23 the holder thereof shall not allow any other person to use the  
24 license. The application fee for a cannabis producer's license shall  
25 be (~~two hundred fifty dollars~~) \$250. The annual fee for issuance  
26 and renewal of a cannabis producer's license shall be (~~one thousand~~  
27 ~~three hundred eighty-one dollars~~) \$1,381. A separate license shall  
28 be required for each location at which a cannabis producer intends to  
29 produce cannabis. Cannabis producers who sell immature plants or  
30 clones and seeds for sale to persons age 21 and over as provided  
31 under RCW 69.50.4013(7) must post consumer education information in  
32 their premises informing consumers about Washington's law regarding  
33 cannabis production by persons age 21 and over under RCW  
34 69.50.4013(7) including aspects of the activity that are legal and  
35 aspects of the activity that are illegal or for which the legal  
36 status is not specified in Washington law.

37 (2) There shall be a cannabis processor's license to process,  
38 package, and label cannabis concentrates, useable cannabis, and

1 cannabis-infused products for sale at wholesale to cannabis  
2 processors and cannabis retailers, regulated by the board and subject  
3 to annual renewal. The processing, packaging, possession, delivery,  
4 distribution, and sale of cannabis, useable cannabis, cannabis-  
5 infused products, and cannabis concentrates in accordance with the  
6 provisions of this chapter and chapter 69.51A RCW and the rules  
7 adopted to implement and enforce these chapters, by a validly  
8 licensed cannabis processor, shall not be a criminal or civil offense  
9 under Washington state law. Every cannabis processor's license shall  
10 be issued in the name of the applicant, shall specify the location at  
11 which the licensee intends to operate, which must be within the state  
12 of Washington, and the holder thereof shall not allow any other  
13 person to use the license. The application fee for a cannabis  
14 processor's license shall be (~~two hundred fifty dollars~~) \$250. The  
15 annual fee for issuance and renewal of a cannabis processor's license  
16 shall be (~~one thousand three hundred eighty-one dollars~~) \$1,381. A  
17 separate license shall be required for each location at which a  
18 cannabis processor intends to process cannabis.

19 (3)(a) There shall be a cannabis retailer's license to sell  
20 cannabis concentrates, useable cannabis, and cannabis-infused  
21 products at retail in retail outlets, regulated by the board and  
22 subject to annual renewal. The possession, delivery, distribution,  
23 and sale of cannabis concentrates, useable cannabis, and cannabis-  
24 infused products in accordance with the provisions of this chapter  
25 and the rules adopted to implement and enforce it, by a validly  
26 licensed cannabis retailer, shall not be a criminal or civil offense  
27 under Washington state law. Every cannabis retailer's license shall  
28 be issued in the name of the applicant, shall specify the location of  
29 the retail outlet the licensee intends to operate, which must be  
30 within the state of Washington, and the holder thereof shall not  
31 allow any other person to use the license. The application fee for a  
32 cannabis retailer's license shall be (~~two hundred fifty dollars~~)  
33 \$250. The annual fee for issuance and renewal of a cannabis  
34 retailer's license shall be (~~one thousand three hundred eighty-one  
35 dollars~~) \$1,381. A separate license shall be required for each  
36 location at which a cannabis retailer intends to sell cannabis  
37 concentrates, useable cannabis, and cannabis-infused products.

38 (b) An individual retail licensee and all other persons or  
39 entities with a financial or other ownership interest in the business

1 operating under the license are limited, in the aggregate, to holding  
2 a collective total of not more than five retail cannabis licenses.

3 (c) (i) A cannabis retailer's license is subject to forfeiture in  
4 accordance with rules adopted by the board pursuant to this section.

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

10 (A) No cannabis retailer's license may be subject to forfeiture  
11 within the first nine months of license issuance; and

12 (B) The board must require license forfeiture on or before  
13 (~~twenty-four~~) 24 calendar months of license issuance if a cannabis  
14 retailer is not fully operational and open to the public, unless the  
15 board determines that circumstances out of the licensee's control are  
16 preventing the licensee from becoming fully operational and that, in  
17 the board's discretion, the circumstances warrant extending the  
18 forfeiture period beyond (~~twenty-four~~) 24 calendar months.

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

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

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

31 (A) The adoption of a ban or moratorium that prohibits the  
32 opening of a retail cannabis business; or

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

38 (d) The board may issue cannabis retailer licenses pursuant to  
39 this chapter and RCW 69.50.335.

1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 66.08  
2    RCW to read as follows:

3        (1) The board shall provide educational information to the public  
4    and answers to frequently asked questions in a conspicuous location  
5    on the board's website about the legal authorization and restrictions  
6    associated with cultivating cannabis plants and possessing cannabis  
7    and cannabis products derived from those plants for personal use, as  
8    authorized in RCW 69.50.4013(7).

9        (2) The educational information provided on the board's website  
10   under this section must include information about the risk of civil  
11   and criminal legal liability that may arise for individuals producing  
12   cannabis and about the aspects of the activity that are legal and  
13   aspects of activity that are illegal or for which the legal status is  
14   not specified and therefore may carry risk of liability."

15        Renumber the remaining sections consecutively, correct any  
16   internal references accordingly, and correct the title.

EFFECT: (1) Requires cannabis plants lawfully produced by persons  
age 21 and over to be sourced from a licensed cannabis producer.

(2) Adds traceability requirements administered by the Liquor and  
Cannabis Board (LCB) to the cannabis home production authorization,  
subject to a fee the LCB may impose to recoup costs.

(3) Adds cannabis waste disposal requirements to the cannabis  
home production authorization, and limits criminal liability of solid  
waste facility or waste management service providers.

(4) Requires cannabis producers to post information for consumers  
about Washington law regarding home production of cannabis.

(5) Requires the LCB to post comprehensive information and  
answers to frequently asked questions on the LCB's website related to  
the cannabis home production authorization including information  
about risk of civil and criminal legal liability that may arise for  
individuals producing cannabis and about the aspects of the activity  
that are legal and aspects of activity that are illegal or for which  
the legal status is not specified and therefore may carry risk of  
liability.

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