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HOUSE BILL 1698

State of Washington 64th Legislature

2015 Regular Session

By Representatives Appleton and Moscoso

- AN ACT Relating to medical cannabis; amending RCW 69.51A.005, 1 2 69.51A.010, 69.51A.030, 69.51A.040, 69.51A.047, 69.51A.050, 69.51A.055, 69.51A.085, 69.51A.140, 69.50.325, 69.50.345, 69.50.357, 3 69.50.363, 69.50.366, and 69.50.535; reenacting and amending RCW 4 5 18.130.040; adding new sections to chapter 69.51A RCW; adding new sections to chapter 69.50 RCW; adding a new section to chapter 82.08 6 7 RCW; adding a new section to chapter 48.43 RCW; repealing RCW 8 69.51A.043 and 69.51A.045; and providing an effective date.
- 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 10 **Sec. 1.** RCW 69.51A.005 and 2011 c 181 s 102 are each amended to 11 read as follows:
 - (1) The legislature finds that:

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- 13 (a) There is medical evidence that some patients with <u>chronic</u>,
 14 terminal, or debilitating medical conditions may, under their
 15 <u>certified</u> health care professional's care, benefit from the medical
 16 use of cannabis. Some of the conditions for which cannabis appears to
 17 be beneficial include, but are not limited to:
- 18 (i) Nausea, vomiting, and cachexia associated with cancer, HIV-19 positive status, AIDS, hepatitis C, anorexia, and their treatments;
- 20 (ii) Severe muscle spasms associated with multiple sclerosis, 21 epilepsy, and other seizure and spasticity disorders;

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- (iii) Acute or chronic glaucoma;
 - (iv) Crohn's disease; and

- (v) Some forms of intractable pain.
- (b) Humanitarian compassion necessitates that the decision to use cannabis by patients with <u>chronic</u>, terminal, or debilitating medical conditions is a personal, individual decision, based upon their <u>certified</u> health care professional's professional medical judgment and discretion.
 - (2) Therefore, the legislature intends that:
- (a) Qualifying patients with <u>chronic</u>, terminal, or debilitating medical conditions who, in the judgment of their <u>certified</u> health care professional((s)), may benefit from the medical use of cannabis, shall not be arrested, prosecuted, <u>searched</u>, have property <u>seized</u>, 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 arrested, prosecuted, <u>searched</u>, <u>have property seized</u>, 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 cannabis; and
- (c) <u>Certified health care professionals shall also not be</u> arrested, prosecuted, <u>searched</u>, <u>have property seized</u>, or subject to other criminal sanctions or civil consequences under state law for the proper authorization <u>or administration</u> of medical ((<u>use of</u>)) cannabis by qualifying patients for whom, in the <u>certified</u> health care professional's professional judgment, the medical use of cannabis may prove beneficial.
- (3) Nothing in this chapter establishes the medical necessity or medical appropriateness of cannabis for treating <u>chronic</u>, 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.

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- 1 Sec. 2. RCW 69.51A.010 and 2010 c 284 s 2 are each amended to 2 read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
 - (1) "Designated provider" means a person who:

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- (a) Is ((eighteen)) twenty-one years of age or older;
- 7 (b) Has been designated in writing by a <u>qualifying</u> patient to 8 serve as a designated provider under this chapter;
- 9 (c) Is prohibited from consuming ((marijuana)) cannabis obtained 10 for the personal, medical use of the qualifying patient for whom the 11 individual is acting as designated provider; ((and))
 - (d) Has been issued valid documentation; and
- 13 <u>(e)</u> Is the designated provider to only one <u>qualifying</u> patient 14 ((at any one time)) within a fifteen-day period.
 - (2) "Certified health care professional," for purposes of this chapter only, means a person who holds a certification under this chapter to recommend and administer cannabis and who is either 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) "Medical use of ((marijuana)) cannabis" means the consumption, processing, production, possession, dispensing, delivery, 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 chronic, terminal, or debilitating illness.
 - (4) "Qualifying patient" means a person who:
 - (a) Is a patient of a <u>certified</u> health care professional;
- 32 (b) Has been diagnosed by that <u>certified</u> health care professional as having a <u>chronic</u>, terminal, or debilitating medical condition;
- 34 (c) Is a resident of the state of Washington ((at the time of 35 such diagnosis));
- 36 (d) Has been advised by that <u>certified</u> health care professional 37 about the risks and benefits of the medical use of ((marijuana)) 38 cannabis; and
- (e) Has been advised by that <u>certified</u> health care professional that they may benefit from the medical use of ((marijuana)) <u>cannabis</u>.

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1 (5) "Tamper-resistant ((paper)) material" means ((paper)) a
2 record that meets one or more of the following industry-recognized
3 features:

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- (a) One or more features designed to prevent copying of the ((paper)) <u>record</u>;
- 6 (b) One or more features designed to prevent the erasure or modification of information on the ((paper)) record; or
- 8 (c) One or more features designed to prevent the use of 9 counterfeit valid documentation.
 - (6) "Chronic, terminal, or debilitating medical condition" means:
- 11 (a) Cancer, human immunodeficiency virus (HIV), multiple 12 sclerosis, epilepsy or other seizure disorder, or spasticity 13 disorders; or
- 14 (b) Intractable pain, limited for the purpose of this chapter to
 15 mean pain unrelieved by standard medical treatments and medications;
 16 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
- 20 (d) Crohn's disease with debilitating symptoms unrelieved by 21 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, appetite loss, cramping, seizures, muscle spasms, or spasticity, when these symptoms are <u>documented and</u> unrelieved by standard treatments or medications; ((or))
- 28 (g) <u>Posttraumatic stress disorder that is unrelieved by standard</u> 29 treatments or medications; or
 - (h) 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) "Valid documentation" means:
- 35 (a) A ((statement)) verification card signed and dated by a 36 qualifying patient's certified health care professional ((written)) 37 and documented on tamper-resistant ((paper)) material, which states 38 that, in the certified health care professional's professional 39 opinion, the patient may benefit from the medical use of

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- 1 ((marijuana)) cannabis and the amount and type of cannabis and 2 cannabis plants that he or she recommends; and
- 3 (b) Proof of identity such as a Washington state driver's license 4 or identicard, as defined in RCW 46.20.035.
 - (8) "Department" means the department of health.

- 6 (9) "Secretary" means the secretary of the department of health.
- 7 (10) "Cannabis" has the same meaning as the term "marijuana" in 8 RCW 69.50.101.
- 9 (11) "Certified medical cannabis dispensing assistant" means a
 10 person who holds a certification under this chapter to dispense
 11 cannabis to qualifying patients under the supervision of a certified
 12 health care professional.
- 13 (12) "Certified medical cannabis clinic" means a facility that is
 14 certified by the secretary where appropriately qualified staff are
 15 available to determine whether or not the use of cannabis for medical
 16 purposes should be recommended for patients and qualifying patients
 17 and to administer cannabis to qualifying patients.
- 18 <u>(13) "Licensed medical cannabis retailer" means a business</u>
 19 licensed under section 24 of this act.
- 20 (14) "Patient cooperative garden" means a noncommercial garden
 21 plot dedicated to the production of cannabis for the medical use of
 22 the participating qualifying patients and maintained by the
 23 participating qualifying patients.
- NEW SECTION. Sec. 3. A new section is added to chapter 69.51A 25 RCW to read as follows:
- 26 (1) In addition to any other authority, the secretary has the 27 authority to:
- 28 (a) Adopt rules under chapter 34.05 RCW necessary to implement 29 this chapter;
- 30 (b) Establish fees related to initial certification, renewal certification, and surveys and inspections necessary to defray the costs associated with the regulation of certified medical cannabis clinics;
- 34 (c) Establish fees related to initial and renewal certification 35 and registration of certified health care professionals and certified 36 medical cannabis dispensing assistants and examination of certified 37 health care professionals and certified medical cannabis dispensing 38 assistants in accordance with RCW 43.70.250;

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- 1 (d) Issue initial and renewal certifications to operate certified 2 medical cannabis clinics to applicants who meet the requirements for 3 obtaining certification and to deny certification to applicants who 4 do not meet the certification requirements;
- 5 (e) Issue initial and renewal certifications to applicants to 6 become certified health care professionals or certified medical 7 cannabis dispensing assistants who meet the requirements for 8 obtaining certification and to deny certification to applicants who 9 do not meet the requirements;
- 10 (f) Establish certification standards and operation parameters 11 for certified medical cannabis clinics based upon the requirements of 12 section 4 of this act;
 - (g) Establish certification standards and practice parameters for certified health care professionals and certified medical cannabis dispensing assistants based upon the requirements of sections 5 and 6 of this act;
 - (h) Establish a secure and confidential database to record information related to the issuance of verification cards by certified health care professionals; and
 - (i) Approve examinations for certified health care professionals and certified medical cannabis dispensing assistants.
 - (2) The secretary may take any necessary actions to establish a phased approach under chapter ..., Laws of 2015 (this act) to assure that by December 1, 2016, qualifying patients are able to receive verification cards and cannabis for medical use without disruption, including, prior to June 1, 2017, issuing credentials to facilities and health care providers, allowing for the issuance of verification cards, and establishing the database in section 12 of this act.
- NEW SECTION. Sec. 4. A new section is added to chapter 69.51A RCW to read as follows:
- 31 (1) The secretary shall issue a certification to operate a 32 certified medical cannabis clinic to any applicant who demonstrates 33 the ability to comply with all regulations adopted by the secretary, 34 including:
- 35 (a) Documentation that staff who recommend and administer 36 cannabis and cannabis products are appropriately credentialed and 37 supervised;
 - (b) Requirements to maintain a permanent physical address;
 - (c) Security requirements;

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- 1 (d) Traceability requirements;
- 2 (e) Reporting requirements;

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- 3 (f) Requirements to document dispensed amounts of cannabis and 4 cannabis products;
 - (g) Survey and inspection requirements; and
- 6 (h) Payment of applicable fees.
- 7 (2) The secretary shall renew a certification to operate a 8 certified medical cannabis clinic to any applicant who meets the 9 requirements of subsection (1) of this section and has been in good 10 standing with the department during the prior certification period.
- 11 (3) The secretary may deny the application for certification or 12 revoke or suspend the existing certification of any certified medical 13 cannabis clinic that fails to comply with the regulations adopted by 14 the secretary.
- NEW SECTION. Sec. 5. A new section is added to chapter 69.51A RCW to read as follows:
- 17 (1) The secretary shall issue a certification to a certified 18 health care professional to recommend and administer cannabis to any 19 applicant who has:
- 20 (a) A current valid license in good standing as any of the health 21 professions identified in RCW 69.51A.010(2);
 - (b) Successfully completed an examination; and
 - (c) Has paid any applicable fees.
- (2) The secretary may deny the application for certification or revoke or suspend the existing certification of any certified health care professional who fails to comply with the regulations adopted by the secretary.
- NEW SECTION. Sec. 6. A new section is added to chapter 69.51A RCW to read as follows:
- 30 (1) The secretary shall issue a certification to an individual to 31 practice as a certified cannabis dispensing assistant to any 32 applicant who pays any applicable fees and successfully completes an 33 examination.
- 34 (2) The secretary may deny the application for certification or 35 revoke or suspend the existing certification of any certified 36 cannabis dispensing assistant who fails to comply with the 37 regulations adopted by the secretary.

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- NEW SECTION. Sec. 7. A new section is added to chapter 69.51A RCW to read as follows:
- 3 The uniform disciplinary act, chapter 18.130 RCW, governs 4 unlicensed practice, the issuance and denial of a license, and the
- 5 discipline of persons certified as a certified health care
- 6 professional or a certified cannabis dispensing assistant.
- NEW SECTION. Sec. 8. A new section is added to chapter 69.51A RCW to read as follows:
- 9 (1) A patient may only obtain a verification card from a 10 certified health care professional;
- 11 (2) A qualifying patient may only obtain a renewal of a 12 verification card from a certified health care professional;
- 13 (3) A qualifying patient may only obtain cannabis for medical use 14 from:
- 15 (a) A licensed medical cannabis retailer licensed under chapter 16 69.50 RCW;
- 17 (b) A licensed marijuana retailer licensed under chapter 69.50 18 RCW;
- 19 (c) The patient cooperative garden in which the qualifying 20 patient participates;
- 21 (d) The qualifying patient's supply grown at his or her residence 22 if the property is owned by the qualifying patient or the landlord 23 has given written permission to the qualifying patient; or
 - (e) The qualifying patient's designated provider.
- NEW SECTION. Sec. 9. A new section is added to chapter 69.51A RCW to read as follows:
- 27 (1) A certified health care professional may:

- 28 (a) Advise patients and qualifying patients on the risks and 29 benefits of the medical use of cannabis and provide a patient or 30 qualifying patient with valid documentation authorizing the medical 31 use of cannabis. These activities may only occur at the certified 32 health care professional's principal office where he or she regularly 33 practices or at a certified medical cannabis clinic where he or she 34 is employed; and
- 35 (b) Administer cannabis to qualifying patients at a certified medical cannabis clinic.
- 37 (2) When advising a qualifying patient under subsection (1) of 38 this section, a certified health care professional shall recommend to

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- 1 the qualifying patient the most appropriate method of using cannabis for the qualifying patient's condition. The certified health care 2 professional must make reasonable attempts to identify methods of use 3 other than the smoking of cannabis. A certified health care 4 professional shall not be in violation of this section for 5 6 recommending the smoking of cannabis to a qualifying patient if the 7 reasonable attempts to identify other methods are noted in the qualifying patient's medical record. 8
- 9 (3) A certified medical cannabis dispensing assistant may not 10 dispense cannabis, except to qualifying patients while working on-11 site as an employee of a licensed medical cannabis retailer under the 12 general supervision and protocols of a certified health care 13 professional during the hours while the certified health care 14 professional is practicing on-site.
- NEW SECTION. Sec. 10. A new section is added to chapter 69.51A RCW to read as follows:
- 17 (1) Certified health care professionals may authorize the medical 18 use of cannabis for qualifying patients who are under the age of 19 eighteen if:

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- (a) The minor's parent or guardian participates in the minor's treatment and agrees to the medical use of cannabis by the minor;
- (b) The parent or guardian has sole control over the minor's cannabis, except that the minor may possess up to the amount of cannabis that is necessary for his or her next dose; and
- (c) The minor does not grow plants or purchase cannabis from a cannabis retailer.
- (2) If authorizing a minor for the medical use of cannabis, the certified health care professional must:
- 29 (a) Consult with other health care providers involved in the 30 child's treatment, as medically indicated; and
- 31 (b) Reexamine the minor at least once every three months or more 32 frequently as medically indicated. The reexamination must:
 - (i) Determine that the minor continues to have a chronic, terminal, or debilitating medical condition and that the condition benefits from the medical use of cannabis; and
- 36 (ii) Include a follow-up discussion with the minor's parent or 37 guardian to ensure the parent or guardian continues to participate in 38 the treatment of the minor.

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- NEW SECTION. Sec. 11. A new section is added to chapter 69.51A RCW to read as follows:
 - (1) A certified medical cannabis clinic may only administer cannabis purchased from a licensed medical cannabis retailer that is licensed under chapter 69.50 RCW. The cannabis and cannabis products must meet all sanitation, testing, and labeling requirements established by the state liquor control board for medical class marijuana, useable marijuana, and marijuana-infused products under RCW 69.50.345.
 - (2) A certified medical cannabis clinic may not:

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- 11 (a) Display any signage in a window, on a door, or on the outside
 12 of the premises of the facility that is visible to the general public
 13 from a public right-of-way, other than a single sign no larger than
 14 one thousand six hundred square inches identifying the certified
 15 medical cannabis clinic or certified affiliated medical cannabis
 16 dispensary by the certification holder's business or trade name;
 - (b) Display cannabis or cannabis products in a manner that is visible to the general public from a public right-of-way; or
- 19 (c) Open or consume, or allow to be opened or consumed, any 20 cannabis or cannabis products on the premises, except as necessary 21 for a certified health care professional to administer the cannabis 22 or cannabis product to a qualifying patient.
- NEW SECTION. Sec. 12. A new section is added to chapter 69.51A RCW to read as follows:
- 25 (1) The department shall, with the advice and consultation of the 26 medical cannabis advisory committee established in section 23 of this 27 act, establish and maintain an online, secure, and confidential 28 database for certified health care professionals to report 29 information about authorization practices as listed in subsection (2) 30 of this section.
- 31 (2) For each verification card issued to a qualifying patient, 32 the issuing certified health care professional must report to the 33 database established in subsection (1) of this section:
 - (a) The qualifying patient's year of birth;
- 35 (b) The qualifying patient's city of residence;
- 36 (c) The condition for which the qualifying patient was issued a verification card;

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1 (d) The type and amount of useable cannabis and cannabis plants 2 that were authorized for the qualifying patient by the certified 3 health care professional;

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- (e) The expiration date of the qualifying patient's verification card;
- 6 (f) The name of the authorizing certified health care 7 professional; and
- 8 (g) A unique identifier that corresponds to each verification 9 card issued by the certified health care professional.
- 10 (3) Certified health care professionals may not report the name 11 of any qualifying patient or any other personally identifying 12 information to the database, other than the information listed in 13 subsection (2) of this section.
 - (4) Certified health care professionals must be able to enter information into the database on a continual basis.
 - (5) Information in the database may only be accessed by:
 - (a) The department and the health care professions disciplining authorities to monitor compliance with this chapter;
 - (b) Appropriate local, state, and federal law enforcement or prosecutorial officials who are engaged in a bona fide specific investigation of suspected cannabis-related activity that is illegal under Washington state law or to confirm the validity of a verification card and confirm the expiration date, the number of plants recommended to the qualifying patient, and the maximum amount and type of useable cannabis recommended to the qualifying patient;
 - (c) Certified health care professionals, as necessary to correct information, renew a verification card, or provide patient care; and
 - (d) Certified medical cannabis clinics and licensed medical cannabis retailers, as necessary to verify that an individual is a qualifying patient and the amount of cannabis that the qualifying patient is authorized to purchase.
 - (6) The department may access the information in the database to maintain the reporting system and to produce aggregated reports related to the number of qualifying patients, the geographic distribution of qualifying patients, the age distribution of qualifying patients, and the amount and type of cannabis that has been recommended for patients.
- 38 **Sec. 13.** RCW 69.51A.030 and 2011 c 181 s 301 are each amended to read as follows:

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(1) The following acts do not constitute crimes under state law or unprofessional conduct under chapter 18.130 RCW, and a <u>certified</u> 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 <u>certified</u> health care professional complies with subsection (2) of this section:

- (a) Advising a patient about the risks and benefits of medical use of cannabis or that the patient may benefit from the medical use of cannabis; or
 - (b) Providing a patient meeting the criteria established under RCW $69.51A.010((\frac{26}{100}))$ with valid documentation, based upon the <u>certified</u> health care professional's assessment of the patient's medical history and current medical condition, where such use is within a professional standard of care or in the individual <u>certified</u> health care professional's medical judgment.
 - (2)(a) A <u>certified</u> 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 newly initiated or existing documented relationship with the patient, as a primary care provider or a specialist, relating to the diagnosis and ongoing treatment or monitoring of the patient's <u>chronic</u>, 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 <u>chronic</u>, 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 <a href="https://chem.org.nlm.nih.gov/chem.org.nlm.n
 - (iv) Documenting other measures attempted to treat the <u>chronic</u>, terminal, or debilitating medical condition that do not involve the medical use of cannabis.
- 38 (b) <u>A certified health care professional must identify the date</u>
 39 <u>on which a qualifying patient's verification card expires. For a</u>
 40 <u>patient eighteen years old or older, the verification card must</u>

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- expire within one year of its issuance. For a qualifying patient who is less than eighteen years old, the verification card must expire within six months of its issuance.
 - (c) A <u>certified</u> health care professional ((shall)) <u>may</u> not:

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- (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;
- 12 (iii) Examine or offer to examine a patient for purposes of 13 diagnosing a <u>chronic</u>, terminal, or debilitating medical condition at 14 a location where cannabis is produced, processed, or dispensed; or
- 15 (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
- 20 (vi))) Hold an economic interest in an enterprise that produces, 21 processes, or dispenses cannabis if the <u>certified</u> health care 22 professional authorizes the medical use of cannabis.
- 23 (3) A violation of any provision of subsection (2) of this 24 section constitutes unprofessional conduct under chapter 18.130 RCW.
- 25 **Sec. 14.** RCW 69.51A.040 and 2011 c 181 s 401 are each amended to 26 read as follows:

27 The medical use of cannabis in accordance with the terms and conditions of this chapter does not constitute a crime and a 28 qualifying patient or designated provider in compliance with the 29 30 terms and conditions of this chapter may not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences, for 31 possession, processing, manufacture, or delivery of, 32 possession with intent to manufacture, process, or deliver, cannabis 33 under state law, or have real or personal property searched, seized, 34 35 or forfeited for possession, use, processing, manufacture, or delivery of, or for possession with intent to manufacture, process, 36 or deliver, cannabis under state law, and investigating peace 37 officers and law enforcement agencies may not be held civilly liable 38 for failure to seize cannabis in this circumstance, if: 39

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- (1)(a) The qualifying patient or designated provider possesses:
- (i) No more than ((fifteen cannabis plants)) the number of plants specified on a verification card issued by a certified health care professional; and((÷

- (i))) (ii)(A) No more than ((twenty-four ounces)) the amount of useable cannabis specified on a verification card issued by a certified health care professional;
- (((ii) No more cannabis product than what could reasonably be produced with no more than twenty-four ounces of useable cannabis; or
- (iii))) (B) 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)) the amount of useable cannabis specified on a verification card issued by a certified health care professional.
- (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)) the amount specified on the verification card issued to the person by a certified health care professional and the amount specified on the verification card of the qualified patient for whom the person serves as a designated provider, as issued to the qualified patient by a certified health care professional, 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)) verification card, 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)) verification card and the qualifying patient's or designated provider's contact information posted prominently next to any cannabis plants, cannabis products, or useable cannabis located at his or her residence;
- 36 (4) The investigating peace officer does not possess evidence 37 that:
- 38 (a) The designated provider has converted cannabis produced or 39 obtained for the qualifying patient for his or her own personal use 40 or benefit; or

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

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- (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((\div and
- 7 (6) The investigating peace officer has not observed evidence of any of the circumstances identified in section 901(4) of this act)).
- 9 **Sec. 15.** RCW 69.51A.047 and 2011 c 181 s 406 are each amended to 10 read as follows:

11 A qualifying patient or designated provider who ((is not registered with the registry established in section 901 of this act 12 13 or)) does not present his or her ((valid documentation)) verification card to a peace officer who questions the patient or provider 14 15 regarding his or her medical use of cannabis but is in compliance 16 with all other terms and conditions of this chapter may establish an affirmative defense to charges of violations of state law relating to 17 cannabis through proof at trial, by a preponderance of the evidence, 18 that he or she was a validly authorized qualifying patient or 19 20 designated provider at the time of the officer's questioning. ((A qualifying patient or designated provider who establishes an 21 22 affirmative defense under the terms of this section may also establish an affirmative defense under RCW 69.51A.045.)) 23

- 24 **Sec. 16.** RCW 69.51A.050 and 1999 c 2 s 7 are each amended to 25 read as follows:
 - (1) The lawful possession, processing, use, transportation, or manufacture of medical ((marijuana)) cannabis as authorized by this chapter shall not result in the forfeiture or seizure of any property.
- (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 or its use as authorized by this chapter.
- 34 (3) The state shall not be held liable for any deleterious 35 outcomes from the medical use of marijuana by any qualifying patient.
- 36 **Sec. 17.** RCW 69.51A.055 and 2011 c 181 s 1105 are each amended 37 to read as follows:

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(1)(a) The arrest and prosecution protections established in RCW 69.51A.040 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 affirmative defense((\mathfrak{s})) established in RCW ((\mathfrak{s} 9.51A.043, \mathfrak{s} 69.51A.045,)) 69.51A.047((\mathfrak{s} 0.51A.047((\mathfrak{s} 0.51A.047)) 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.
- (2) The provisions of RCW 69.51A.040, 69.51A.085, and 69.51A.025 do not apply to a person who is supervised for a criminal conviction by a corrections agency or department, including local governments or jails, 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,
 including local governments or jails, that has determined that
 licensure is inconsistent with and contrary to his or her
 supervision.))
- **Sec. 18.** RCW 69.51A.085 and 2011 c 181 s 403 are each amended to read as follows:
 - (1) Qualifying patients may create and participate in ((collective)) patient cooperative gardens for the purpose of producing, processing, transporting, and delivering cannabis to the participating qualifying patients for medical use. Qualifying patients participating in a patient cooperative garden share responsibility for acquiring and supplying the resources required to produce and process cannabis for the medical use of the participating qualifying patients, such as a location for the patient cooperative garden; equipment, supplies, and labor necessary to plant, grow, and harvest cannabis; cannabis plants, seeds, and cuttings; and equipment, supplies, and labor necessary for proper construction, plumbing, wiring, and ventilation of a garden of cannabis plants. Any

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cannabis garden with more than one qualifying patient is considered to be a patient cooperative garden. Patient cooperative gardens are subject to the following conditions:

- (a) No more than ten qualifying patients may participate in a single ((collective)) patient cooperative garden ((at any time));
- 6 (b) A ((collective)) patient cooperative garden may contain no 7 more than ((fifteen plants per patient up to a total of)) forty-five 8 plants;
- 9 (c) A ((collective)) patient cooperative garden may contain no 10 more than ((twenty-four ounces of useable cannabis per patient up to 11 a total of)) seventy-two ounces of useable cannabis;
 - (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,)) verification card must be available at all times on the premises of the ((collective)) patient cooperative garden; ((and))
 - (e) No useable cannabis from the ((collective)) patient cooperative garden is delivered to anyone other than one of the qualifying patients participating in the ((collective)) patient cooperative garden;
- 21 <u>(f) Only one patient cooperative garden may exist at any</u> 22 residence;
 - (q) The property on which a patient cooperative garden is located must be owned by one of the qualifying patients participating in the patient cooperative garden or by a property owner who has provided written permission to the participating qualifying patients and posted notice of the permission and the participants' verification cards at the patient cooperative garden site;
 - (h) Any qualifying patient who participates in a patient cooperative garden may withdraw from the patient cooperative garden at any time and remove his or her share of plants or useable cannabis at the time of withdrawal; and
 - (i) A patient cooperative garden must wait at least fifteen days after a qualifying patient has withdrawn from the patient cooperative garden before another qualifying patient may join the patient cooperative 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 cannabis for medical use such as, for example, a location for a

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- 1 collective garden; equipment, supplies, and labor necessary to plant,
- 2 grow, and harvest cannabis; cannabis plants, seeds, and cuttings; and
- 3 equipment, supplies, and labor necessary for proper construction,
- 4 plumbing, wiring, and ventilation of a garden of cannabis plants.
- (3)) A person who knowingly violates a provision of subsection
- 6 (1) of this section is not entitled to the protections of this
- 7 chapter.

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- 8 **Sec. 19.** RCW 69.51A.140 and 2011 c 181 s 1102 are each amended 9 to read as follows:
- (1) Cities and towns may adopt and enforce any of the following 10 pertaining to the ((production, processing,)) administering or 11 dispensing of medical cannabis or medical cannabis products within 12 Zoning requirements, 13 jurisdiction: business requirements, health and safety requirements, and business taxes. 14 Nothing in chapter 181, Laws of 2011 is intended to limit the 15 16 authority of cities and towns to impose zoning requirements or other conditions upon <u>certified medical cannabis clinics and</u> licensed 17 18 ((dispensers)) medical cannabis retailers, so long as such requirements do not preclude the possibility of siting ((licensed 19 20 dispensers)) certified medical cannabis clinics and licensed medical cannabis retailers within the jurisdiction. If the jurisdiction has 21 22 no commercial zones, the jurisdiction is not required to adopt zoning accommodate <u>certified medical cannabis clinics and</u> licensed 23 24 ((dispensers)) medical cannabis retailers.
 - (2) Counties may adopt and enforce any of the following pertaining to the ((production, processing,)) administering or dispensing of medical cannabis or medical cannabis products within their jurisdiction in locations outside of the corporate limits of city or town: Zoning requirements, business requirements, and health and safety requirements. Nothing in chapter 181, Laws of 2011 is intended to limit the authority of counties to impose zoning requirements or other conditions upon certified medical cannabis clinics and licensed ((dispensers)) medical cannabis so long as such requirements do not preclude the retailers, possibility of siting ((licensed dispensers)) certified medical cannabis <u>clinics</u> and <u>licensed medical cannabis retailers</u> within the jurisdiction. If the jurisdiction has no commercial zones, the jurisdiction is not required to adopt zoning to accommodate certified

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- 1 <u>medical cannabis clinics and licensed ((dispensers)) medical cannabis</u>
- 2 <u>retailers</u>.
- 3 <u>NEW SECTION.</u> **Sec. 20.** A new section is added to chapter 69.51A
- 4 RCW to read as follows:
- 5 All valid documentation issued prior to June 1, 2016, expires
- 6 June 1, 2017. Until June 1, 2017, qualifying patients and designated
- 7 providers in possession of valid documentation may not be arrested,
- 8 prosecuted, or subject to other criminal sanctions or civil
- 9 consequences, for possession, manufacture, or delivery of, or for
- 10 possession with intent to manufacture or deliver, cannabis under
- 11 state law, or have real or personal property searched, seized, or
- 12 forfeited for possession, manufacture, or delivery of, or for
- 13 possession with intent to manufacture or deliver, cannabis under
- 14 state law.
- 15 <u>NEW SECTION.</u> **Sec. 21.** A new section is added to chapter 69.51A
- 16 RCW to read as follows:
- 17 Certified health care professionals, certified cannabis
- 18 dispensing assistants, and certified medical cannabis clinics and
- 19 their employees are subject to the requirements of health care
- 20 providers and health care facilities under chapter 70.02 RCW.
- 21 <u>NEW SECTION.</u> **Sec. 22.** A new section is added to chapter 69.51A
- 22 RCW to read as follows:
- 23 Upon approval by an institutional review board, the University of
- 24 Washington and Washington State University may produce, process,
- 25 dispense, and administer cannabis and cannabis products for purposes
- of research and treatment.
- 27 <u>NEW SECTION.</u> **Sec. 23.** A new section is added to chapter 69.50
- 28 RCW to read as follows:
- 29 (1) The medical cannabis advisory committee is established.
- 30 (a) Until June 30, 2018, the committee shall be comprised of the
- 31 following members, to be appointed by the governor:
- 32 (i) One member of the medical quality assurance commission;
- 33 (ii) One member of the state board of osteopathic medicine and
- 34 surgery;
- 35 (iii) One member of the nursing care quality assurance
- 36 commission;

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- 1 (iv) One member of the board of naturopathy;
- 2 (v) One member of the pharmacy quality assurance commission;
- 3 (vi) One member of the chemical dependency certification advisory 4 committee who is a certified chemical dependency professional;
- 5 (vii) One member of the faculty of the University of Washington 6 with expertise in medical marijuana research;
 - (viii) Five qualifying patients;

- 8 (ix) One representative of law enforcement agencies;
- 9 (x) One person who is licensed by the state liquor control board 10 as both a marijuana producer and a marijuana processor;
- 11 (xi) One person employed by a third-party testing laboratory 12 meeting the accreditation standards established by the state liquor 13 control board under RCW 69.50.345;
- 14 (xii) One person representing the department of agriculture;
- 15 (xiii) One person representing the state liquor control board; 16 and
- 17 (xiv) One person representing the department of health.
- 18 (b) Beginning July 1, 2018, the committee shall be comprised of 19 three members, to be appointed by the governor.
- 20 (2) The committee shall provide advice and consultation to the 21 state liquor control board, the secretary of health, and the 22 legislature related to:
- 23 (a) The regulation of certified medical cannabis clinics and 24 licensed medical cannabis retailers;
- 25 (b) The regulation of certified health care professionals and 26 registered medical cannabis dispensing assistants, including 27 standards for the supervision of registered medical cannabis 28 dispensing assistants and the identification of examinations for 29 certified health care professionals;
- 30 (c) Reporting and charting requirements for certified medical 31 cannabis clinics, certified health care professionals, and registered 32 medical cannabis dispensing assistants; and
- 33 (d) The development of the online, secure, and confidential 34 database established under section 12 of this act.
- NEW SECTION. Sec. 24. A new section is added to chapter 69.50 RCW to read as follows:
- 37 (1) A licensed medical cannabis retailer may only sell medical 38 class marijuana, useable marijuana, and marijuana-infused products in 39 the same business location.

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(2) In addition to meeting licensing and operation requirements for licensed marijuana retailers, the state liquor control board shall establish regulations for licensed medical cannabis retailers that only sell medical class marijuana, useable marijuana, and marijuana-infused products to:

- (a) Require that any owners and employees of a licensed medical cannabis retailer are at least twenty-one years of age;
- (b) Require that there be a certified health care professional present and available on-site during business hours to oversee qualifying patients during the process of selecting an appropriate type of marijuana for the qualifying patient's condition and to advise the qualifying patient on the appropriate use of the marijuana for the patient's condition; and
- (c) Only sell marijuana, useable marijuana, and marijuana-infused products that are medical class as determined by an accredited testing facility according to the state liquor control board's standards.
- (3) Licensed medical cannabis retailers may allow qualifying patients who hold valid documentation and are eighteen to twenty-one years of age to enter or remain on the premises and may allow qualifying patients with valid documentation under the age of eighteen to enter or remain on the premises if those minor patients are with their parent or guardian who is acting as the minor patient's designated provider.
 - (4) Licensed medical cannabis retailers are prohibited from:
- (a) Allowing their certified health care professionals to conduct activities under chapter 69.51A RCW related to the recommending of marijuana for medical purposes, issuance of verification cards, or administration of marijuana; or
- (b) Providing any form of compensation to certified health care professionals, other than a salary, such as a bonus, commission, or other payment based upon incentives.
- (5) Certified health care professionals and licensed medical cannabis retailers are subject to the requirements of health care providers and health care facilities under chapter 70.02 RCW.
 - (6) For the purposes of this section:
- 37 (a) "Certified health care professional" has the same meaning as in RCW 69.51A.010.
- 39 (b) "Qualifying patient" has the same meaning as in RCW 40 69.51A.010.

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- 1 (c) "Valid documentation" has the same meaning as in RCW 2 69.51A.010.
 - Sec. 25. RCW 69.50.325 and 2014 c 192 s 2 are each amended to read as follows:

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- (1) There shall be a marijuana producer's license to produce marijuana for sale at wholesale to marijuana processors and other marijuana producers, regulated by the state liquor control board and subject to annual renewal. The production, possession, distribution, and sale of marijuana in accordance with the provisions of chapter 3, Laws of 2013 and the rules adopted to implement and enforce it, by a validly licensed marijuana producer, shall not be a criminal or civil offense under Washington state law. Every marijuana producer's license shall be issued in the name of the applicant, shall specify the location at which the marijuana producer intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana producer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana producer's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana producer intends to produce marijuana.
- (2) There shall be a marijuana processor's license to process, package, and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale at wholesale to marijuana processors ((and)), marijuana retailers, and licensed medical cannabis retailers, regulated by the state liquor control board and subject to annual renewal. The processing, packaging, possession, delivery, distribution, and sale of marijuana, useable marijuana, marijuana-infused products, and marijuana concentrates in accordance with the provisions of chapter 3, Laws of 2013 and the rules adopted implement and enforce it, by a validly licensed marijuana processor, shall not be a criminal or civil offense under Washington state law. Every marijuana processor's license shall be issued in the name of the applicant, shall specify the location at which the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana processor's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana processor's license shall be one

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thousand dollars. A separate license shall be required for each location at which a marijuana processor intends to process marijuana.

- There shall be a marijuana retailer's license to sell 3 marijuana concentrates, useable marijuana, and marijuana-infused 4 products at retail in retail outlets, regulated by the state liquor 5 6 control board and subject to annual renewal. The possession, delivery, distribution, and sale of marijuana concentrates, useable 7 marijuana, and marijuana-infused products in accordance with the 8 provisions of chapter 3, Laws of 2013 and the rules adopted to 9 implement and enforce it, by a validly licensed marijuana retailer, 10 shall not be a criminal or civil offense under Washington state law. 11 12 Every marijuana retailer's license shall be issued in the name of the applicant, shall specify the location of the retail outlet the 13 licensee intends to operate, which must be within the state of 14 Washington, and the holder thereof shall not allow any other person 15 16 to use the license. The application fee for a marijuana retailer's 17 license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana retailer's license shall be one 18 19 thousand dollars. A separate license shall be required for each location at which a marijuana retailer intends to sell marijuana 20 21 concentrates, useable marijuana, and marijuana-infused products.
- 22 **Sec. 26.** RCW 69.50.345 and 2013 c 3 s 10 are each amended to 23 read as follows:
- The state liquor control board, subject to the provisions of chapter 3, Laws of 2013, must adopt rules ((by December 1, 2013,)) that establish the procedures and criteria necessary to implement the following:
- 28 (1) Licensing of marijuana producers, marijuana processors, and 29 marijuana retailers, including prescribing forms and establishing 30 application, reinstatement, and renewal fees;
- 31 (2) Determining, in consultation with the office of financial management, the maximum number of ((retail outlets)):
- 33 <u>(a) Marijuana retailers</u> that may be licensed in each county, 34 taking into consideration:
- $((\frac{a}{a}))$ (i) Population distribution;
- $((\frac{b}{b}))$ (ii) Security and safety issues; and
- 37 (((c))) <u>(iii)</u> The provision of adequate access to licensed 38 sources of useable marijuana and marijuana-infused products to 39 discourage purchases from the illegal market;

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- 1 (b) Licensed medical cannabis retailers that may be licensed in 2 each county, taking into consideration:
 - (i) Population distribution;
- 4 <u>(ii) Security and safety issues;</u>
- 5 <u>(iii) Patient need;</u>

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- 6 (iv) The burden on patients to travel long distances for access
 7 to a safe, stable source of medical class marijuana, useable
 8 marijuana, and marijuana-infused products;
- 9 (3) Determining the maximum quantity of marijuana a marijuana 10 producer may have on the premises of a licensed location at any time 11 without violating Washington state law;
 - (4) Determining the maximum quantities of marijuana, useable marijuana, and marijuana-infused products a marijuana processor may have on the premises of a licensed location at any time without violating Washington state law;
 - (5) Determining the maximum quantities of useable marijuana and marijuana-infused products a marijuana retailer may have on the premises of a retail outlet at any time without violating Washington state law;
- 20 (6) In making the determinations required by subsections (3) 21 through (5) of this section, the state liquor control board shall 22 take into consideration:
 - (a) Security and safety issues;
 - (b) The provision of adequate access to licensed sources of marijuana, useable marijuana, and marijuana-infused products to discourage purchases from the illegal market; and
 - (c) Economies of scale, and their impact on licensees' ability to both comply with regulatory requirements and undercut illegal market prices;
 - (7) Determining the nature, form, and capacity of all containers to be used by licensees to contain marijuana, useable marijuana, and marijuana-infused products, and their labeling requirements, to include but not be limited to:
 - (a) The business or trade name and Washington state unified business identifier number of the licensees that grew, processed, and sold the marijuana, useable marijuana, or marijuana-infused product;
- 37 (b) Lot numbers of the marijuana, useable marijuana, or 38 marijuana-infused product;
- 39 (c) THC concentration of the marijuana, useable marijuana, or 40 marijuana-infused product;

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- 1 (d) Medically and scientifically accurate information about the 2 health and safety risks posed by marijuana use; and
 - (e) Language required by RCW 69.04.480;

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- In consultation with the department of agriculture, 4 (8) establishing classes of marijuana, useable marijuana, and marijuana-5 infused products according to grade, condition, cannabinoid profile, 6 7 THC concentration, or other qualitative measurements appropriate by the state liquor control board. Among the classes, 8 there shall be a medical class for marijuana, useable marijuana, and 9 marijuana-infused products that are determined to be free of 10 pesticides, molds, and other contaminants; 11
 - (9) Establishing reasonable time, place, and manner restrictions and requirements regarding advertising of marijuana, useable marijuana, and marijuana-infused products that are not inconsistent with the provisions of chapter 3, Laws of 2013, taking into consideration:
 - (a) Federal laws relating to marijuana that are applicable within Washington state;
 - (b) Minimizing exposure of people under twenty-one years of age to the advertising; and
- 21 (c) The inclusion of medically and scientifically accurate 22 information about the health and safety risks posed by marijuana use 23 in the advertising;
 - (10) Specifying and regulating the time and periods when, and the manner, methods, and means by which, licensees shall transport and deliver marijuana, useable marijuana, and marijuana-infused products within the state;
 - (11) In consultation with the department and the department of agriculture, establishing accreditation requirements for testing laboratories used by licensees to demonstrate compliance with standards adopted by the state liquor control board, and prescribing methods of producing, processing, and packaging marijuana, useable marijuana, and marijuana-infused products; conditions of sanitation; and standards of ingredients, quality, and identity of marijuana, useable marijuana, and marijuana-infused products produced, processed, packaged, or sold by licensees;
 - (12) Specifying procedures for identifying, seizing, confiscating, destroying, and donating to law enforcement for training purposes all marijuana, useable marijuana, and marijuana-infused products produced, processed, packaged, labeled, or offered

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- for sale in this state that do not conform in all respects to the 1
- 2 standards prescribed by chapter 3, Laws of 2013 or the rules of the
- state liquor control board. 3

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- **Sec. 27.** RCW 69.50.357 and 2014 c 192 s 4 are each amended to 4 5 read as follows:
- (1) Retail outlets and licensed medical cannabis retailers shall б sell no products or services other than marijuana concentrates, 7 useable marijuana, marijuana-infused products, or paraphernalia 8 intended for the storage or use of marijuana concentrates, useable 9 10 marijuana, or marijuana-infused products.
 - (2) Licensed marijuana retailers and licensed medical cannabis retailers shall not employ persons under twenty-one years of age or allow persons under twenty-one years of age to enter or remain on the premises of a retail outlet.
 - (3) Licensed marijuana retailers and licensed medical cannabis retailers shall not display any signage in a window, on a door, or on the outside of the premises of a retail outlet that is visible to the general public from a public right-of-way, other than a single sign no larger than one thousand six hundred square inches identifying the retail outlet by the licensee's business or trade name.
- (4) Licensed marijuana retailers and licensed medical cannabis retailers shall not display useable marijuana or marijuana-infused 23 products in a manner that is visible to the general public from a 24 public right-of-way.
 - (5) No licensed marijuana retailer, licensed medical cannabis retailer, or employee of a retail outlet shall open or consume, or allow to be opened or consumed, any marijuana concentrates, useable marijuana, or marijuana-infused product on the outlet premises.
- (6) The state liquor control board ((shall)) may fine a licensee 29 30 one thousand dollars for each violation of any subsection of this section. Fines collected under this section must be deposited into 31 the dedicated marijuana fund created under RCW 69.50.530. 32
- 33 Sec. 28. RCW 69.50.363 and 2013 c 3 s 16 are each amended to 34 read as follows:
- 35 The following acts, when performed by a validly licensed marijuana processor or employee of a validly licensed marijuana 36 processor in compliance with rules adopted by the state liquor 37

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control board to implement and enforce chapter 3, Laws of 2013, shall not constitute criminal or civil offenses under Washington state law:

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- (1) Purchase and receipt of marijuana that has been properly packaged and labeled from a marijuana producer validly licensed under chapter 3, Laws of 2013;
- (2) Possession, processing, packaging, and labeling of quantities of marijuana, useable marijuana, and marijuana-infused products that do not exceed the maximum amounts established by the state liquor control board under RCW 69.50.345(4); and
- 10 (3) Delivery, distribution, and sale of useable marijuana or 11 marijuana-infused products to a marijuana retailer validly licensed 12 under chapter 3, Laws of 2013 or licensed medical cannabis retailer.
- 13 **Sec. 29.** RCW 69.50.366 and 2013 c 3 s 17 are each amended to 14 read as follows:
 - The following acts, when performed by a validly licensed marijuana producer or employee of a validly licensed marijuana producer in compliance with rules adopted by the state liquor control board to implement and enforce chapter 3, Laws of 2013, shall not constitute criminal or civil offenses under Washington state law:
- 20 (1) Production or possession of quantities of marijuana that do 21 not exceed the maximum amounts established by the state liquor 22 control board under RCW 69.50.345(3); and
- (2) Delivery, distribution, and sale of marijuana to a marijuana processor ((0x)), another marijuana producer validly licensed under chapter 3, Laws of 2013, or licensed medical cannabis retailer.
- 26 **Sec. 30.** RCW 69.50.535 and 2014 c 192 s 7 are each amended to 27 read as follows:
- (1) There is levied and collected a marijuana excise tax equal to twenty-five percent of the selling price on each wholesale sale in this state of marijuana by a licensed marijuana producer to a licensed marijuana processor or another licensed marijuana producer.

 This tax is the obligation of the licensed marijuana producer.
- 33 (2) There is levied and collected a marijuana excise tax equal to 34 twenty-five percent of the selling price on each wholesale sale in 35 this state of marijuana concentrates, useable marijuana, and 36 marijuana-infused products by a licensed marijuana processor to a 37 licensed marijuana retailer. This tax is the obligation of the 38 licensed marijuana processor.

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(3) There is levied and collected a marijuana excise tax equal to twenty-five percent of the selling price on each retail sale in this state of marijuana concentrates, useable marijuana, and marijuana-infused products. This tax is the obligation of the licensed marijuana retailer, is separate and in addition to general state and local sales and use taxes that apply to retail sales of tangible personal property, and is part of the total retail price to which general state and local sales and use taxes apply.

- (4) All revenues collected from the marijuana excise taxes imposed under subsections (1) through (3) of this section shall be deposited each day in a depository approved by the state treasurer and transferred to the state treasurer to be credited to the dedicated marijuana fund.
- (5) The state liquor control board shall regularly review the tax levels established under this section and make recommendations to the legislature as appropriate regarding adjustments that would further the goal of discouraging use while undercutting illegal market prices.
- (6) Nothing in this section levies a marijuana excise tax under subsection (1), (2), or (3) of this section upon sales by a licensed marijuana producer or licensed marijuana processor to a licensed medical cannabis retailer licensed under section 24 of this act.
- NEW SECTION. Sec. 31. A new section is added to chapter 82.08 RCW to read as follows:
 - (1) Subject to the conditions and limitations provided in this section, the tax levied by RCW 82.08.020 does not apply to the sales of marijuana, useable marijuana, or marijuana-infused products to qualifying patients or their designated providers in a licensed medical marijuana retailer or the sales of cannabis at a certified medical cannabis clinic or certified affiliated medical cannabis dispensary.
 - (2) The exemption authorized in this section only applies to purchases made from licensed medical marijuana retail outlets authorized under chapter 69.50 RCW and certified medical cannabis clinics and certified affiliated medical cannabis dispensaries authorized under chapter 69.51A RCW. Retail outlets that sell sales tax exempt useable marijuana or marijuana-infused products are required to file their tax return electronically with the department.

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- 1 (3) Each licensed medical marijuana retailer, certified medical cannabis clinic, or certified affiliated medical cannabis dispensary making exempt sales is required to maintain records of qualifying patient authorizations provided by the purchaser.
 - (4) For sellers who electronically file their taxes, the department must provide a separate tax reporting line for exemption amounts claimed under this section.
- 8 (5) For the purposes of this section:

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- 9 (a) "Designated provider," "qualifying patient," "certified 10 medical cannabis clinic," "certified affiliated medical cannabis 11 dispensary" have the same meanings as provided in RCW 69.51A.010.
- 12 (b) "Useable marijuana" and "marijuana-infused product" have the 13 same meanings as provided in RCW 69.50.101.
- 14 Sec. 32. RCW 18.130.040 and 2013 c 171 s 8 and 2013 c 19 s 45 15 are each reenacted and amended to read as follows:
- 16 (1) This chapter applies only to the secretary and the boards and 17 commissions having jurisdiction in relation to the professions 18 licensed under the chapters specified in this section. This chapter 19 does not apply to any business or profession not licensed under the 20 chapters specified in this section.
- 21 (2)(a) The secretary has authority under this chapter in relation 22 to the following professions:
- 23 (i) Dispensing opticians licensed and designated apprentices 24 under chapter 18.34 RCW;
- 25 (ii) Midwives licensed under chapter 18.50 RCW;
- 26 (iii) Ocularists licensed under chapter 18.55 RCW;
- 27 (iv) Massage practitioners and businesses licensed under chapter 28 18.108 RCW;
- 29 (v) Dental hygienists licensed under chapter 18.29 RCW;
- 30 (vi) East Asian medicine practitioners licensed under chapter 31 18.06 RCW;
- (vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;
- 34 (viii) Respiratory care practitioners licensed under chapter
 35 18.89 RCW;
- (ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;
- 38 (x) Persons licensed as mental health counselors, mental health 39 counselor associates, marriage and family therapists, marriage and

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- 1 family therapist associates, social workers, social work associates—
- 2 advanced, and social work associates—independent clinical under
- 3 chapter 18.225 RCW;
- 4 (xi) Persons registered as nursing pool operators under chapter
- 5 18.52C RCW;
- 6 (xii) Nursing assistants registered or certified or medication
- 7 assistants endorsed under chapter 18.88A RCW;
- 8 (xiii) Dietitians and nutritionists certified under chapter
- 9 18.138 RCW;
- 10 (xiv) Chemical dependency professionals and chemical dependency
- 11 professional trainees certified under chapter 18.205 RCW;
- 12 (xv) Sex offender treatment providers and certified affiliate sex
- offender treatment providers certified under chapter 18.155 RCW;
- 14 (xvi) Persons licensed and certified under chapter 18.73 RCW or
- 15 RCW 18.71.205;
- 16 (xvii) Orthotists and prosthetists licensed under chapter 18.200
- 17 RCW;
- 18 (xviii) Surgical technologists registered under chapter 18.215
- 19 RCW;
- 20 (xix) Recreational therapists under chapter 18.230 RCW;
- 21 (xx) Animal massage practitioners certified under chapter 18.240
- 22 RCW;
- 23 (xxi) Athletic trainers licensed under chapter 18.250 RCW;
- 24 (xxii) Home care aides certified under chapter 18.88B RCW;
- 25 (xxiii) Genetic counselors licensed under chapter 18.290 RCW;
- 26 (xxiv) Reflexologists certified under chapter 18.108 RCW; ((and))
- 27 (xxv) Medical assistants-certified, medical assistants-
- 28 hemodialysis technician, medical assistants-phlebotomist, and medical
- 29 assistants-registered certified and registered under chapter 18.360
- 30 RCW; and
- 31 <u>(xxvi) Certified health care professionals or certified cannabis</u>
- 32 dispensing assistants certified under chapter 69.51A RCW.
- 33 (b) The boards and commissions having authority under this
- 34 chapter are as follows:
- 35 (i) The podiatric medical board as established in chapter 18.22
- 36 RCW;
- 37 (ii) The chiropractic quality assurance commission as established
- 38 in chapter 18.25 RCW;
- 39 (iii) The dental quality assurance commission as established in
- 40 chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW,

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- licenses and registrations issued under chapter 18.260 RCW, and certifications issued under chapter 18.350 RCW;
- 3 (iv) The board of hearing and speech as established in chapter 4 18.35 RCW;
- 5 (v) The board of examiners for nursing home administrators as 6 established in chapter 18.52 RCW;
- 7 (vi) The optometry board as established in chapter 18.54 RCW 8 governing licenses issued under chapter 18.53 RCW;
- 9 (vii) The board of osteopathic medicine and surgery as 10 established in chapter 18.57 RCW governing licenses issued under 11 chapters 18.57 and 18.57A RCW;
- (viii) The pharmacy quality assurance commission as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;
- 15 (ix) The medical quality assurance commission as established in 16 chapter 18.71 RCW governing licenses and registrations issued under 17 chapters 18.71 and 18.71A RCW;
- 18 (x) The board of physical therapy as established in chapter 18.74 19 RCW;
- 20 (xi) The board of occupational therapy practice as established in 21 chapter 18.59 RCW;
- 22 (xii) The nursing care quality assurance commission as 23 established in chapter 18.79 RCW governing licenses and registrations 24 issued under that chapter;
- 25 (xiii) The examining board of psychology and its disciplinary 26 committee as established in chapter 18.83 RCW;
- 27 (xiv) The veterinary board of governors as established in chapter 28 18.92 RCW;
- 29 (xv) The board of naturopathy established in chapter 18.36A RCW; 30 and
- 31 (xvi) The board of denturists established in chapter 18.30 RCW.
- 32 (3) In addition to the authority to discipline license holders, 33 the disciplining authority has the authority to grant or deny 34 licenses. The disciplining authority may also grant a license subject 35 to conditions.
- 36 (4) All disciplining authorities shall adopt procedures to ensure 37 substantially consistent application of this chapter, the uniform 38 disciplinary act, among the disciplining authorities listed in 39 subsection (2) of this section.

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NEW SECTION. Sec. 33. A new section is added to chapter 48.43 RCW to read as follows:

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- (1) A health carrier may issue health benefit plans that provide benefits or coverage for activities related to the issuance of a verification card to an enrollee who is a patient or qualifying patient under chapter 69.51A RCW or for cannabis and cannabis products for medical use consistent with the recommendations identified on an enrollee's verification card.
- (2) Health carriers and their employees do not commit a crime 9 under state law and may not be arrested, searched, prosecuted, 10 11 disciplined, or subject to other criminal sanctions, civil 12 consequences, regulatory sanctions, or liability under state law, or have real or personal property searched, seized, or forfeited 13 pursuant to state law for conducting payment activities on behalf of 14 an enrollee for the issuance of a verification card to an enrollee 15 16 who is a patient or qualifying patient under chapter 69.51A RCW or 17 for cannabis and cannabis products for medical use consistent with 18 the recommendations of an enrollee's verification card.
- 19 <u>NEW SECTION.</u> **Sec. 34.** The following acts or parts of acts are 20 each repealed:
- 21 (1) RCW 69.51A.043 (Failure to register—Affirmative defense) and 22 2011 c 181 s 402; and
- 23 (2) RCW 69.51A.045 (Possession of cannabis exceeding lawful 24 amount—Affirmative defense) and 2011 c 181 s 405.
- NEW SECTION. Sec. 35. Sections 2, 4 through 15, 17 through 19, 26 21, and 24 through 32 of this act take effect December 1, 2016.

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