

---

SUBSTITUTE HOUSE BILL 2335

---

State of Washington

65th Legislature

2018 Regular Session

By House Commerce & Gaming (originally sponsored by Representatives Sawyer and Condotta)

1       AN ACT Relating to business practices by marijuana retailers that  
2       may mislead the public as to the ownership of a retailer; and  
3       amending RCW 69.50.369.

4       BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5       **Sec. 1.** RCW 69.50.369 and 2017 c 317 s 14 are each amended to  
6       read as follows:

7       (1) No licensed marijuana producer, processor, researcher, or  
8       retailer may place or maintain, or cause to be placed or maintained,  
9       any sign or other advertisement for a marijuana business or marijuana  
10      product, including useable marijuana, marijuana concentrates, or  
11      marijuana-infused product, in any form or through any medium  
12      whatsoever within one thousand feet of the perimeter of a school  
13      grounds, playground, recreation center or facility, child care  
14      center, public park, or library, or any game arcade admission to  
15      which is not restricted to persons aged twenty-one years or older.

16      (2) Except for the use of billboards as authorized under this  
17      section, licensed marijuana retailers may not display any signage  
18      outside of the licensed premises, other than two signs identifying  
19      the retail outlet by the licensee's business or trade name, stating  
20      the location of the business, and identifying the nature of the  
21      business. Each sign must be no larger than one thousand six hundred

1 square inches and be permanently affixed to a building or other  
2 structure. The location and content of the retail marijuana signs  
3 authorized under this subsection are subject to all other  
4 requirements and restrictions established in this section for indoor  
5 signs, outdoor signs, and other marijuana-related advertising  
6 methods.

7 (3) A marijuana licensee may not utilize transit advertisements  
8 for the purpose of advertising its business or product line. "Transit  
9 advertisements" means advertising on or within private or public  
10 vehicles and all advertisements placed at, on, or within any bus  
11 stop, taxi stand, transportation waiting area, train station,  
12 airport, or any similar transit-related location.

13 (4) A marijuana licensee may not engage in advertising or other  
14 marketing practice that specifically targets persons residing outside  
15 of the state of Washington.

16 (5) All signs, billboards, or other print advertising for  
17 marijuana businesses or marijuana products must contain text stating  
18 that marijuana products may be purchased or possessed only by persons  
19 twenty-one years of age or older.

20 (6) A marijuana licensee may not:

21 (a) Take any action, directly or indirectly, to target youth in  
22 the advertising, promotion, or marketing of marijuana and marijuana  
23 products, or take any action the primary purpose of which is to  
24 initiate, maintain, or increase the incidence of youth use of  
25 marijuana or marijuana products;

26 (b) Use objects such as toys or inflatables, movie or cartoon  
27 characters, or any other depiction or image likely to be appealing to  
28 youth, where such objects, images, or depictions indicate an intent  
29 to cause youth to become interested in the purchase or consumption of  
30 marijuana products; or

31 (c) Use or employ a commercial mascot outside of, and in  
32 proximity to, a licensed marijuana business. A "commercial mascot"  
33 means live human being, animal, or mechanical device used for  
34 attracting the attention of motorists and passersby so as to make  
35 them aware of marijuana products or the presence of a marijuana  
36 business. Commercial mascots include, but are not limited to,  
37 inflatable tube displays, persons in costume, or wearing, holding, or  
38 spinning a sign with a marijuana-related commercial message or image,  
39 where the intent is to draw attention to a marijuana business or its  
40 products.

1 (7) A marijuana licensee that engages in outdoor advertising is  
2 subject to the advertising requirements and restrictions set forth in  
3 this subsection (7) and elsewhere in this chapter.

4 (a) All outdoor advertising signs, including billboards, are  
5 limited to text that identifies the retail outlet by the licensee's  
6 business or trade name, states the location of the business, and  
7 identifies the type or nature of the business. Such signs may not  
8 contain any depictions of marijuana plants, marijuana products, or  
9 images that might be appealing to children. The state liquor and  
10 cannabis board is granted rule-making authority to regulate the text  
11 and images that are permissible on outdoor advertising. Such rule  
12 making must be consistent with other administrative rules generally  
13 applicable to the advertising of marijuana businesses and products.

14 (b) Outdoor advertising is prohibited:

15 (i) On signs and placards in arenas, stadiums, shopping malls,  
16 fairs that receive state allocations, farmers markets, and video game  
17 arcades, whether any of the foregoing are open air or enclosed, but  
18 not including any such sign or placard located in an adult only  
19 facility; and

20 (ii) Billboards that are visible from any street, road, highway,  
21 right-of-way, or public parking area are prohibited, except as  
22 provided in (c) of this subsection.

23 (c) Licensed retail outlets may use a billboard or outdoor sign  
24 solely for the purpose of identifying the name of the business, the  
25 nature of the business, and providing the public with directional  
26 information to the licensed retail outlet. Billboard advertising is  
27 subject to the same requirements and restrictions as set forth in (a)  
28 of this subsection.

29 (d) Advertising signs within the premises of a retail marijuana  
30 business outlet that are visible to the public from outside the  
31 premises must meet the signage regulations and requirements  
32 applicable to outdoor signs as set forth in this section.

33 (e) The restrictions and regulations applicable to outdoor  
34 advertising under this section are not applicable to:

35 (i) An advertisement inside a licensed retail establishment that  
36 sells marijuana products that is not placed on the inside surface of  
37 a window facing outward; or

38 (ii) An outdoor advertisement at the site of an event to be held  
39 at an adult only facility that is placed at such site during the  
40 period the facility or enclosed area constitutes an adult only

1 facility, but in no event more than fourteen days before the event,  
2 and that does not advertise any marijuana product other than by using  
3 a brand name to identify the event.

4 (8) Merchandising within a retail outlet is not advertising for  
5 the purposes of this section.

6 (9) This section does not apply to a noncommercial message.

7 (10)(a) The state liquor and cannabis board must:

8 (i) Adopt rules implementing this section and specifically  
9 including provisions regulating the billboards and outdoor signs  
10 authorized under this section; and

11 (ii) Fine a licensee one thousand dollars for each violation of  
12 this section until the state liquor and cannabis board adopts rules  
13 prescribing penalties for violations of this section. The rules must  
14 establish escalating penalties including fines and up to suspension  
15 or revocation of a marijuana license for subsequent violations.

16 (b) Fines collected under this subsection must be deposited into  
17 the dedicated marijuana account created under RCW 69.50.530.

18 (11) A city, town, or county may adopt rules of outdoor  
19 advertising by licensed marijuana retailers that are more restrictive  
20 than the advertising restrictions imposed under this chapter.  
21 Enforcement of restrictions to advertising by a city, town, or county  
22 is the responsibility of the city, town, or county.

23 (12)(a) A marijuana retailer may not advertise or represent  
24 itself to the public in a manner that would cause a reasonable person  
25 to believe the marijuana retailer is under common ownership with, or  
26 otherwise affiliated with, another marijuana retailer or retailers,  
27 unless all of the retailers are under common ownership.

28 (b) For purposes of this subsection (12), "common ownership"  
29 means having at least one person with an ownership interest in all of  
30 the marijuana retailers in the advertisement or commercial  
31 representation.

32 (c) This subsection (12) does not prohibit a marijuana retailer  
33 from advertising or representing to the public the retailer's  
34 membership in a trade association.

--- END ---