6

7

8

9

10

11

12

13

14

15 16

17

18

19

20

21

SENATE BILL 6552

State of Washington

65th Legislature

2018 Regular Session

By Senator Warnick

- AN ACT Relating to increasing marijuana revenue distributed to counties, cities, and towns; and amending RCW 69.50.540.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 69.50.540 and 2017 3rd sp.s. c 1 s 979 are each 5 amended to read as follows:
 - The legislature must annually appropriate moneys in the dedicated marijuana account created in RCW 69.50.530 as follows:
 - (1) For the purposes listed in this subsection (1), the legislature must appropriate to the respective agencies amounts sufficient to make the following expenditures on a quarterly basis:
 - (a) Beginning July 1, 2015, one hundred twenty-five thousand dollars to the department of social and health services to design and administer the Washington state healthy youth survey, analyze the collected data, and produce reports, in collaboration with the office of the superintendent of public instruction, department of health, department of commerce, family policy council, and state liquor and cannabis board. The survey must be conducted at least every two years and include questions regarding, but not necessarily limited to, academic achievement, age at time of substance use initiation, antisocial behavior of friends, attitudes toward antisocial behavior, attitudes toward substance use, laws and community norms regarding

p. 1 SB 6552

antisocial behavior, family conflict, family management, parental attitudes toward substance use, peer rewarding of antisocial behavior, perceived risk of substance use, and rebelliousness. Funds disbursed under this subsection may be used to expand administration of the healthy youth survey to student populations attending institutions of higher education in Washington;

- (b) Beginning July 1, 2015, fifty thousand dollars to the department of social and health services for the purpose of contracting with the Washington state institute for public policy to conduct the cost-benefit evaluation and produce the reports described in RCW 69.50.550. This appropriation ends after production of the final report required by RCW 69.50.550;
- (c) Beginning July 1, 2015, five thousand dollars to the University of Washington alcohol and drug abuse institute for the creation, maintenance, and timely updating of web-based public education materials providing medically and scientifically accurate information about the health and safety risks posed by marijuana use;
- (d)(i) An amount not less than one million two hundred fifty thousand dollars to the state liquor and cannabis board for administration of this chapter as appropriated in the omnibus appropriations act; and
- (ii) Three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2018 and three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2019 to the health professions account established under RCW 43.70.320 for the development and administration of the marijuana authorization database by the department of health. It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;
- (e) Twenty-three thousand seven hundred fifty dollars to the department of enterprise services provided solely for the state building code council established under RCW 19.27.070, to develop and adopt fire and building code provisions related to marijuana processing and extraction facilities. The distribution under this subsection (1)(e) is for fiscal year 2016 only;
- (2) From the amounts in the dedicated marijuana account after appropriation of the amounts identified in subsection (1) of this section, the legislature must appropriate for the purposes listed in this subsection (2) as follows:
- (a)(i) Up to fifteen percent to the department of social and health services division of behavioral health and recovery for the

p. 2 SB 6552

- 1 development, implementation, maintenance, and evaluation of programs and practices aimed at the prevention or reduction of maladaptive 2 substance use, substance use disorder, substance abuse or substance 3 dependence, as these terms are defined in the Diagnostic and 4 Statistical Manual of Mental Disorders, among middle school and high 5 6 school-age students, whether as an explicit goal of a given program 7 or practice or as a consistently corresponding effect of its implementation, mental health services for children and youth, and 8 9 services for pregnant and parenting women; PROVIDED, That:
 - (A) Of the funds appropriated under (a)(i) of this subsection for new programs and new services, at least eighty-five percent must be directed to evidence-based or research-based programs and practices that produce objectively measurable results and, by September 1, 2020, are cost-beneficial; and

10 11

12

1314

19 20

21

22

23

2425

2627

28

29

35

36

37

38 39

- 15 (B) Up to fifteen percent of the funds appropriated under (a)(i)
 16 of this subsection for new programs and new services may be directed
 17 to proven and tested practices, emerging best practices, or promising
 18 practices.
 - (ii) In deciding which programs and practices to fund, the secretary of the department of social and health services must consult, at least annually, with the University of Washington's social development research group and the University of Washington's alcohol and drug abuse institute.
 - (iii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of twenty-seven million seven hundred eighty-six thousand dollars, and for each subsequent fiscal year thereafter, the legislature must appropriate a minimum of twenty-five million five hundred thirty-six thousand dollars under this subsection (2)(a);
- 30 (b)(i) Up to ten percent to the department of health for the 31 following, subject to (b)(ii) of this subsection (2):
- 32 (A) Creation, implementation, operation, and management of a 33 marijuana education and public health program that contains the 34 following:
 - (I) A marijuana use public health hotline that provides referrals to substance abuse treatment providers, utilizes evidence-based or research-based public health approaches to minimizing the harms associated with marijuana use, and does not solely advocate an abstinence-only approach;

p. 3 SB 6552

- (II) A grants program for local health departments or other local community agencies that supports development and implementation of coordinated intervention strategies for the prevention and reduction of marijuana use by youth; and
- (III) Media-based education campaigns across television, internet, radio, print, and out-of-home advertising, separately targeting youth and adults, that provide medically and scientifically accurate information about the health and safety risks posed by marijuana use;
 - (B) The Washington poison control center; and

- (C) During the 2015-2017 fiscal biennium, the funds appropriated under this subsection (2)(b) may be used for prevention activities that target youth and populations with a high incidence of tobaccouse.
- (ii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of seven million five hundred thousand dollars and for each subsequent fiscal year thereafter, the legislature must appropriate a minimum of nine million seven hundred fifty thousand dollars under this subsection (2)(b);
- (c)(i) Up to six-tenths of one percent to the University of Washington and four-tenths of one percent to Washington State University for research on the short and long-term effects of marijuana use, to include but not be limited to formal and informal methods for estimating and measuring intoxication and impairment, and for the dissemination of such research.
- (ii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of two hundred seven thousand dollars and for each subsequent fiscal year, except for the 2017-2019 fiscal biennium, the legislature must appropriate a minimum of one million twenty-one thousand dollars to the University of Washington. For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of one hundred thirty-eight thousand dollars and for each subsequent fiscal year thereafter, except for the 2017-2019 fiscal biennium, a minimum of six hundred eighty-one thousand dollars to Washington State University under this subsection (2)(c). It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;
- 38 (d) Fifty percent to the state basic health plan trust account to 39 be administered by the Washington basic health plan administrator and 40 used as provided under chapter 70.47 RCW;

p. 4 SB 6552

(e) Five percent to the Washington state health care authority to be expended exclusively through contracts with community health centers to provide primary health and dental care services, migrant health services, and maternity health care services as provided under RCW 41.05.220;

- (f)(i) Up to three-tenths of one percent to the office of the superintendent of public instruction to fund grants to building bridges programs under chapter 28A.175 RCW.
- (ii) For the fiscal year beginning July 1, 2016, and each subsequent fiscal year, the legislature must appropriate a minimum of five hundred eleven thousand dollars to the office of the superintendent of public instruction under this subsection (2)(f); and
- (g) At the end of each fiscal year, the treasurer must transfer any amounts in the dedicated marijuana account that are not appropriated pursuant to subsection (1) of this section and this subsection (2) into the general fund, except as provided in (g)(i) of this subsection (2).
- (i) For the fiscal year beginning ((in fiscal year 2018)) July 1, 2019, and each subsequent fiscal year, if marijuana excise tax collections deposited into the general fund in the prior fiscal year exceed twenty-five million dollars, ((then each fiscal year)) the legislature must appropriate an amount equal to ((thirty)) fifty percent of all marijuana excise taxes deposited into the general fund the prior fiscal year to the treasurer for distribution to counties, cities, and towns as follows:
- (A) Thirty percent must be distributed to counties, cities, and towns where licensed marijuana retailers are physically located. Each jurisdiction must receive a share of the revenue distribution under this subsection (2)(g)(i)(A) based on the proportional share of the total revenues generated in the individual jurisdiction from the taxes collected under RCW 69.50.535, from licensed marijuana retailers physically located in each jurisdiction. For purposes of this subsection (2)(g)(i)(A), one hundred percent of the proportional amount attributed to a retailer physically located in a city or town must be distributed to the city or town.
- (B) Seventy percent must be distributed to counties, cities, and towns ratably on a per capita basis. Counties must receive sixty percent of the distribution, which must be disbursed based on each county's total proportional population. Funds may only be distributed

p. 5 SB 6552

to jurisdictions that do not prohibit the siting of any state licensed marijuana producer, processor, or retailer.

1

2

3

4

5

6 7

8

9

- (ii) Distribution amounts allocated to each county, city, and town must be distributed in four installments by the last day of each fiscal quarter.
- (iii) By September 15th of each year, the state liquor and cannabis board must provide the state treasurer the annual distribution amount, if any, for each county and city as determined in (g)(i) of this subsection (2).
- (((iv) The total share of marijuana excise tax revenues 10 distributed to counties and cities in (g)(i) of this subsection (2) 11 12 may not exceed six million dollars in fiscal years 2018 and 2019 and twenty million dollars per fiscal year thereafter. However, if the 13 February 2018 forecast of state revenues for the general fund in the 14 2017-2019 fiscal biennium exceeds the amount estimated in the June 15 2017 revenue forecast by over eighteen million dollars after 16 17 adjusting for changes directly related to legislation adopted in the 2017 legislative session, the total share of marijuana excise tax 18 revenue distributed to counties and cities in (g)(i) of this 19 subsection (2) may not exceed fifteen million dollars in fiscal years 20 2018 and 2019. It is the intent of the legislature that the policy 21 22 for the maximum distributions in the subsequent fiscal biennia will be no more than \$6 million per fiscal year.)) 23
- For the purposes of this section, "marijuana products" means "useable marijuana," "marijuana concentrates," and "marijuana-infused products" as those terms are defined in RCW 69.50.101.

--- END ---

p. 6 SB 6552