
ENGROSSED SUBSTITUTE HOUSE BILL 2304

State of Washington 63rd Legislature 2014 Regular Session

By House Government Accountability & Oversight (originally sponsored by Representative Moscoso; by request of Liquor Control Board)

READ FIRST TIME 02/05/14.

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- 1 AN ACT Relating to marijuana processing and retail licenses;
- 2 amending RCW 69.50.325, 69.50.354, 69.50.357, 69.50.360, 42.56.270, and
- 3 69.50.535; and reenacting and amending RCW 69.50.101.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 69.50.101 and 2013 c 276 s 2 and 2013 c 116 s 1 are each reenacted and amended to read as follows:
- 7 Unless the context clearly requires otherwise, definitions of terms 8 shall be as indicated where used in this chapter:
 - (a) "Administer" means to apply a controlled substance, whether by injection, inhalation, ingestion, or any other means, directly to the body of a patient or research subject by:
- 12 (1) a practitioner authorized to prescribe (or, by the 13 practitioner's authorized agent); or
- 14 (2) the patient or research subject at the direction and in the 15 presence of the practitioner.
- 16 (b) "Agent" means an authorized person who acts on behalf of or at
 17 the direction of a manufacturer, distributor, or dispenser. It does
 18 not include a common or contract carrier, public warehouseperson, or
 19 employee of the carrier or warehouseperson.

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- 1 (c) (("Board")) "Commission" means the ((state board of)) pharmacy 2 quality assurance commission.
 - (d) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or ((board)) commission rules.
 - (e)(1) "Controlled substance analog" means a substance the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II and:
 - (i) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II; or
- 13 (ii) with respect to a particular individual, that the individual intends to stimulant, depressant, 14 represents or have a hallucinogenic effect on the central nervous system substantially 15 16 similar to the stimulant, depressant, or hallucinogenic effect on the 17 central nervous system of a controlled substance included in Schedule I or II. 18
 - (2) The term does not include:
- 20 (i) a controlled substance;

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- 21 (ii) a substance for which there is an approved new drug 22 application;
 - (iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the extent conduct with respect to the substance is pursuant to the exemption; or
 - (iv) any substance to the extent not intended for human consumption before an exemption takes effect with respect to the substance.
 - (f) "Deliver" or "delivery," means the actual or constructive transfer from one person to another of a substance, whether or not there is an agency relationship.
 - (q) "Department" means the department of health.
 - (h) "Dispense" means the interpretation of a prescription or order for a controlled substance and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.
 - (i) "Dispenser" means a practitioner who dispenses.

- 1 (j) "Distribute" means to deliver other than by administering or dispensing a controlled substance.
 - (k) "Distributor" means a person who distributes.

- (1) "Drug" means (1) a controlled substance recognized as a drug in the official United States pharmacopoeia/national formulary or the official homeopathic pharmacopoeia of the United States, or any supplement to them; (2) controlled substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in individuals or animals; (3) controlled substances (other than food) intended to affect the structure or any function of the body of individuals or animals; and (4) controlled substances intended for use as a component of any article specified in (1), (2), or (3) of this subsection. The term does not include devices or their components, parts, or accessories.
- (m) "Drug enforcement administration" means the drug enforcement administration in the United States Department of Justice, or its successor agency.
 - (n) "Electronic communication of prescription information" means the transmission of a prescription or refill authorization for a drug of a practitioner using computer systems. The term does not include a prescription or refill authorization verbally transmitted by telephone nor a facsimile manually signed by the practitioner.
 - (o) "Immediate precursor" means a substance:
 - (1) that the ((state board of pharmacy)) commission has found to be and by rule designates as being the principal compound commonly used, or produced primarily for use, in the manufacture of a controlled substance;
 - (2) that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance; and
- 30 (3) the control of which is necessary to prevent, curtail, or limit 31 the manufacture of the controlled substance.
- (p) "Isomer" means an optical isomer, but in subsection $((\frac{y}{y}))$ 33 (z)(5) of this section, RCW 69.50.204(a) (12) and (34), and 69.50.206(b)(4), the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any positional isomer; and in RCW 69.50.204(a)(35), 69.50.204(c), and 69.50.208(a) the term includes any positional or geometric isomer.

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

- (r) "Lot number" shall identify the licensee by business or trade name and Washington state unified business identifier number, and the date of harvest or processing for each lot of marijuana, useable marijuana, or marijuana-infused product.
- (s) "Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container. The term does not include the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled substance:
- (1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled substance in the course of the practitioner's professional practice; or
- (2) by a practitioner, or by the practitioner's authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.
- (t) "Marijuana" or "marihuana" means all parts of the plant Cannabis, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.
- (u) "Marijuana concentrates" means products consisting wholly or in part of the resin extracted from any part of the plant Cannabis and having a THC concentration greater than sixty percent.

- (v) "Marijuana processor" means a person licensed by the state liquor control board to process marijuana into useable marijuana and marijuana-infused products, package and label useable marijuana and marijuana-infused products for sale in retail outlets, and sell useable marijuana and marijuana-infused products at wholesale to marijuana retailers.
- $((rac{(v)}{)})$ $rac{(w)}{}$ "Marijuana producer" means a person licensed by the state liquor control board to produce and sell marijuana at wholesale to marijuana processors and other marijuana producers.
- $((\frac{w}))$ <u>(x)</u> "Marijuana-infused products" means products that contain marijuana or marijuana extracts $(\frac{and}{and})$, are intended for human use, and have a THC concentration greater than 0.3 percent and no greater than sixty percent. The term "marijuana-infused products" does not include either useable marijuana or marijuana concentrates.
- $((\frac{(x)}{(x)}))$ (y) "Marijuana retailer" means a person licensed by the 16 state liquor control board to sell useable marijuana and marijuana-17 infused products in a retail outlet.
 - $((\frac{y}{y}))$ (z) "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:
 - (1) Opium, opium derivative, and any derivative of opium or opium derivative, including their salts, isomers, and salts of isomers, whenever the existence of the salts, isomers, and salts of isomers is possible within the specific chemical designation. The term does not include the isoquinoline alkaloids of opium.
 - (2) Synthetic opiate and any derivative of synthetic opiate, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, and salts is possible within the specific chemical designation.
 - (3) Poppy straw and concentrate of poppy straw.
 - (4) Coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives or ecgonine or their salts have been removed.
 - (5) Cocaine, or any salt, isomer, or salt of isomer thereof.
- 36 (6) Cocaine base.

37 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer 38 thereof.

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- 1 (8) Any compound, mixture, or preparation containing any quantity 2 of any substance referred to in subparagraphs (1) through (7).
 - $((\frac{1}{2}))$ (aa) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.
- 12 (((aa))) <u>(bb)</u> "Opium poppy" means the plant of the species Papaver 13 somniferum L., except its seeds.
- (((bb))) <u>(cc)</u> "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.
- 18 (((cc))) (dd) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

20 (((dd))) <u>(ee)</u> "Practitioner" means:

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(1) A physician under chapter 18.71 RCW; a physician assistant under chapter 18.71A RCW; an osteopathic physician and surgeon under chapter 18.57 RCW; an osteopathic physician assistant under chapter 18.57A RCW who is licensed under RCW 18.57A.020 subject to any limitations in RCW 18.57A.040; an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010 subject to any limitations in RCW 18.53.010; a dentist under chapter 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a veterinarian under chapter 18.92 RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW who is licensed under RCW 18.36A.030 subject to any limitations in RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific investigator under this chapter, licensed, registered or otherwise permitted insofar as is consistent with those licensing laws to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of their professional practice or research in this state.

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

- (3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed physician assistant or a licensed osteopathic physician assistant specifically approved to prescribe controlled substances by his or her state's medical quality assurance commission or equivalent and his or her supervising physician, an advanced registered nurse practitioner licensed to prescribe controlled substances, or a veterinarian licensed to practice veterinary medicine in any state of the United States.
- (((ee))) <u>(ff)</u> "Prescription" means an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.
- $((\frac{ff}))$ $\underline{(gg)}$ "Production" includes the manufacturing, planting, cultivating, growing, or harvesting of a controlled substance.
- $((\frac{gg}))$ which "Retail outlet" means a location licensed by the state liquor control board for the retail sale of useable marijuana and marijuana-infused products.
- $((\frac{hh}{h}))$ (ii) "Secretary" means the secretary of health or the secretary's designee.
- $((\frac{1}{2}))$ (jj) "State," unless the context otherwise requires, means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States.
- ((jj))) (<u>kk</u>) "THC concentration" means percent of delta-9 tetrahydrocannabinol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.
- $((\frac{kk}{k}))$ (11) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for

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- 1 the use of a member of the individual's household or for administering
- 2 to an animal owned by the individual or by a member of the individual's
- 3 household.

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- 4 (((11))) <u>(mm)</u> "Useable marijuana" means dried marijuana flowers.
- 5 The term "useable marijuana" does not include <u>either</u> marijuana-infused
- 6 products or marijuana concentrates.
- 7 Sec. 2. RCW 69.50.325 and 2013 c 3 s 4 (Initiative Measure No. 8 502) are each amended to read as follows:
 - (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, delivery, 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. application fee for a marijuana producer's license shall be two hundred The annual fee for issuance and renewal of a marijuana fifty dollars. 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, regulated by the state liquor control board and subject to annual renewal. The processing, packaging, possession, delivery, distribution, and sale of marijuana, useable marijuana, ((and)) marijuana-infused products, and marijuana concentrates 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 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 thousand dollars. A separate license shall be required for each location at which a marijuana processor intends to process marijuana.

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(3) There shall be a marijuana retailer's license to sell marijuana concentrates, useable marijuana, and marijuana-infused products at retail in retail outlets, regulated by the state liquor control board and subject to annual renewal. The possession, delivery, distribution, and sale of marijuana concentrates, useable marijuana, and marijuanainfused products 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 retailer, shall not be a criminal or civil offense under Washington state law. Every marijuana retailer's license shall be issued in the name of the applicant, shall specify the location of the retail outlet 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 retailer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana retailer's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana retailer intends to sell marijuana concentrates, useable marijuana, and marijuana-infused products.

Sec. 3. RCW 69.50.354 and 2013 c 3 s 13 (Initiative Measure No. 502) are each amended to read as follows:

There may be licensed, in no greater number in each of the counties of the state than as the state liquor control board shall deem advisable, retail outlets established for the purpose of making marijuana_concentrates, useable marijuana, and marijuana-infused products available for sale to adults aged twenty-one and over. Retail sale of marijuana_concentrates, useable marijuana, and marijuana-infused products 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 retailer or retail outlet employee, shall not be a criminal or civil offense under Washington state law.

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Sec. 4. RCW 69.50.357 and 2013 c 3 s 14 (Initiative Measure No. 2 502) are each amended to read as follows:

- (1) Retail outlets shall sell no products or services other than <u>marijuana concentrates</u>, useable marijuana, marijuana-infused products, or paraphernalia intended for the storage or use of <u>marijuana concentrates</u>, useable marijuana, or marijuana-infused products.
- (2) Licensed marijuana 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 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 shall not display useable marijuana or marijuana-infused products in a manner that is visible to the general public from a public right-of-way.
- (5) No licensed marijuana retailer or employee of a retail outlet shall open or consume, or allow to be opened or consumed, any <u>marijuana</u> <u>concentrates</u>, useable marijuana, or marijuana-infused product on the outlet premises.
- 23 (6) The state liquor control board shall fine a licensee one 24 thousand dollars for each violation of any subsection of this section. 25 Fines collected under this section must be deposited into the dedicated 26 marijuana fund created under RCW 69.50.530.
- Sec. 5. RCW 69.50.360 and 2013 c 3 s 15 (Initiative Measure No. 502) are each amended to read as follows:

The following acts, when performed by a validly licensed marijuana retailer or employee of a validly licensed retail outlet 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:

(1) Purchase and receipt of <u>marijuana concentrates</u>, useable marijuana, or marijuana-infused products that have been properly packaged and labeled from a marijuana processor validly licensed under chapter 3, Laws of 2013;

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- (2) Possession of quantities of <u>marijuana concentrates</u>, useable marijuana, or marijuana-infused products that do not exceed the maximum amounts established by the state liquor control board under RCW 69.50.345(5); and
- (3) Delivery, distribution, and sale, on the premises of the retail outlet, of any combination of the following amounts of <u>marijuana</u> <u>concentrates</u>, useable marijuana, or marijuana-infused product to any person twenty-one years of age or older:
 - (a) One ounce of useable marijuana;

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- 10 (b) Sixteen ounces of marijuana-infused product in solid form; $((\frac{\partial \mathbf{r}}{\partial \mathbf{r}}))$
- 12 (c) Seventy-two ounces of marijuana-infused product in liquid form:

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- 14 (d) Seven grams of marijuana concentrate.
- 15 **Sec. 6.** RCW 42.56.270 and 2013 c 305 s 14 are each amended to read 16 as follows:
 - The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:
 - (1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;
 - (2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (b) highway construction or improvement as required by RCW 47.28.070;
 - (3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;
- 32 (4) Financial and commercial information and records supplied by 33 businesses or individuals during application for loans or program 34 services provided by chapters 43.325, 43.163, 43.160, 43.330, and 35 43.168 RCW, or during application for economic development loans or 36 program services provided by any local agency;

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(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

- (6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;
 - (7) Financial and valuable trade information under RCW 51.36.120;
- (8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;
- (9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;
- (10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), marijuana producer, processor, or retailer license, liquor license, gambling license, or lottery retail license;
- (b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;
- (11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011;
- 37 (12)(a) When supplied to and in the records of the department of 38 commerce:

1 (i) Financial and proprietary information collected from any person 2 and provided to the department of commerce pursuant to RCW 3 43.330.050(8); and

- (ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;
- (b) When developed by the department of commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;
- (c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;
 - (d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;
- (13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;
- (14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;
- (15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;
- 35 (16) Any production records, mineral assessments, and trade secrets 36 submitted by a permit holder, mine operator, or landowner to the 37 department of natural resources under RCW 78.44.085;

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- 1 (17)(a) Farm plans developed by conservation districts, unless 2 permission to release the farm plan is granted by the landowner or 3 operator who requested the plan, or the farm plan is used for the 4 application or issuance of a permit;
 - (b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;
 - (18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;
- 14 (19) Information gathered under chapter 19.85 RCW or RCW 34.05.328 15 that can be identified to a particular business;
 - (20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information;
- (21) Financial, commercial, operations, and technical and research information and data submitted to or obtained by innovate Washington in applications for, or delivery of, grants and loans under chapter 43.333 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this
- 28 information; and

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- 29 (22) Market share data submitted by a manufacturer under RCW 70.95N.190(4).
- 31 Sec. 7. RCW 69.50.535 and 2013 c 3 s 27 (Initiative Measure No. 32 502) are each amended to read as follows:
- 33 (1) There is levied and collected a marijuana excise tax equal to 34 twenty-five percent of the selling price on each wholesale sale in this 35 state of marijuana by a licensed marijuana producer to a licensed 36 marijuana processor or another licensed marijuana producer. This tax 37 is the obligation of the licensed marijuana producer.

(2) 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 $\underline{\text{marijuana}}$ $\underline{\text{concentrates}}$, useable $\underline{\text{marijuana}}$ ($\underline{\text{(or)}}$), $\underline{\text{and}}$ $\underline{\text{marijuana-infused products}}$ by a licensed $\underline{\text{marijuana}}$ processor to a licensed $\underline{\text{marijuana}}$ retailer. This tax is the obligation of the licensed $\underline{\text{marijuana}}$ processor.

- (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.

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