## HOUSE BILL 1335

State of Washington 64th Legislature 2015 Regular Session

By Representatives Condotta, Vick, and Wylie

Read first time 01/19/15. Referred to Committee on Commerce & Gaming.

1 AN ACT Relating to permitting cities, towns, and counties to 2 reduce the buffer between recreational marijuana businesses and 3 various entities; amending RCW 69.50.331 and 69.50.369; and 4 prescribing penalties.

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

6 Sec. 1. RCW 69.50.331 and 2013 c 3 s 6 are each amended to read 7 as follows:

(1) For the purpose of considering any application for a license 8 to produce, process, or sell marijuana, or for the renewal of a 9 10 license to produce, process, or sell marijuana, the state liquor control board may cause an inspection of the premises to be made, and 11 may inquire into all matters in connection with the construction and 12 13 operation of the premises. For the purpose of reviewing any application for a license and for considering the denial, suspension, 14 revocation, or renewal or denial thereof, of any license, the state 15 16 liquor control board may consider any prior criminal conduct of the 17 applicant including an administrative violation history record with 18 liquor control board and a criminal the state history record 19 information check. The state liquor control board may submit the criminal history record information check to the Washington state 20 patrol and to the identification division of the federal bureau of 21

1 investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals 2 who filled out the forms. The state liquor control board shall 3 require fingerprinting of any applicant whose criminal history record 4 information check is submitted to the federal bureau 5 of б investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to these cases. Subject to the provisions of this 7 section, the state liquor control board may, in its discretion, grant 8 or deny the renewal or license applied for. Denial may be based on, 9 without limitation, the existence of chronic illegal activity 10 11 documented in objections submitted pursuant to subsections (7)(c) and 12 (9) of this section. Authority to approve an uncontested or unopposed license may be granted by the state liquor control board to any staff 13 14 member the board designates in writing. Conditions for granting this authority shall be adopted by rule. No license of any kind may be 15 16 issued to:

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(a) A person under the age of twenty-one years;

(b) A person doing business as a sole proprietor who has not lawfully resided in the state for at least three months prior to applying to receive a license;

(c) A partnership, employee cooperative, association, nonprofit corporation, or corporation unless formed under the laws of this state, and unless all of the members thereof are qualified to obtain a license as provided in this section; or

(d) A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required of the licensee.

(2)(a) The state liquor control board may, in its discretion, subject to the provisions of RCW 69.50.334, suspend or cancel any license; and all protections of the licensee from criminal or civil sanctions under state law for producing, processing, or selling marijuana, useable marijuana, or marijuana-infused products thereunder shall be suspended or terminated, as the case may be.

34 (b) The state liquor control board shall immediately suspend the 35 license of a person who has been certified pursuant to RCW 74.20A.320 36 by the department of social and health services as a person who is 37 not in compliance with a support order. If the person has continued 38 to meet all other requirements for reinstatement during the 39 suspension, reissuance of the license shall be automatic upon the 40 state liquor control board's receipt of a release issued by the

department of social and health services stating that the licensee is
 in compliance with the order.

(c) The state liquor control board may request the appointment of 3 administrative law judges under chapter 34.12 RCW who shall have 4 power to administer oaths, issue subpoenas for the attendance of 5 б witnesses and the production of papers, books, accounts, documents, 7 and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the 8 state, under rules and regulations the state liquor control board may 9 adopt. 10

(d) Witnesses shall be allowed fees and mileage each way to and from any inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.05.446. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

16 (e) In case of disobedience of any person to comply with the 17 order of the state liquor control board or a subpoena issued by the state liquor control board, or any of its members, or administrative 18 law judges, or on the refusal of a witness to testify to any matter 19 regarding which he or she may be lawfully interrogated, the judge of 20 21 the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, 22 shall compel obedience by contempt proceedings, as in the case of 23 disobedience of the requirements of a subpoena issued from said court 24 25 or a refusal to testify therein.

26 (3) Upon receipt of notice of the suspension or cancellation of a license, the licensee shall forthwith deliver up the license to the 27 state liquor control board. Where the license has been suspended 28 only, the state liquor control board shall return the license to the 29 licensee at the expiration or termination of the period 30 of 31 suspension. The state liquor control board shall notify all other licensees in the county where the subject licensee has its premises 32 of the suspension or cancellation of the license; and no other 33 licensee or employee of another licensee may allow or cause any 34 marijuana, useable marijuana, or marijuana-infused products to be 35 36 delivered to or for any person at the premises of the subject 37 licensee.

38 (4) Every license issued under chapter 3, Laws of 2013 shall be
 39 subject to all conditions and restrictions imposed by chapter 3, Laws
 40 of 2013 or by rules adopted by the state liquor control board to

1 implement and enforce chapter 3, Laws of 2013. All conditions and 2 restrictions imposed by the state liquor control board in the 3 issuance of an individual license shall be listed on the face of the 4 individual license along with the trade name, address, and expiration 5 date.

6 (5) Every licensee shall post and keep posted its license, or 7 licenses, in a conspicuous place on the premises.

8 (6) No licensee shall employ any person under the age of twenty-9 one years.

10 (7)(a) Before the state liquor control board issues a new or 11 renewed license to an applicant it shall give notice of the 12 application to the chief executive officer of the incorporated city 13 or town, if the application is for a license within an incorporated 14 city or town, or to the county legislative authority, if the 15 application is for a license outside the boundaries of incorporated 16 cities or towns.

17 (b) The incorporated city or town through the official or employee selected by it, or the county legislative authority or the 18 19 official or employee selected by it, shall have the right to file with the state liquor control board within twenty days after the date 20 21 of transmittal of the notice for applications, or at least thirty days prior to the expiration date for renewals, written objections 22 against the applicant or against the premises for which the new or 23 renewed license is asked. The state liquor control board may extend 24 25 the time period for submitting written objections.

26 (c) The written objections shall include a statement of all facts upon which the objections are based, and in case written objections 27 28 are filed, the city or town or county legislative authority may request, and the state liquor control board may in its discretion 29 hold, a hearing subject to the applicable provisions of Title 34 RCW. 30 31 If the state liquor control board makes an initial decision to deny a 32 license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may 33 request a hearing subject to the applicable provisions of Title 34 34 RCW. If a hearing is held at the request of the applicant, state 35 36 liquor control board representatives shall present and defend the state liquor control board's initial decision to deny a license or 37 38 renewal.

(d) Upon the granting of a license under this title the stateliquor control board shall send written notification to the chief

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1 executive officer of the incorporated city or town in which the 2 license is granted, or to the county legislative authority if the 3 license is granted outside the boundaries of incorporated cities or 4 towns.

5 (8)(a) Except as provided in (b) of this subsection, the state 6 liquor control board shall not issue a license for any premises 7 within one thousand feet of the perimeter of the grounds of any 8 elementary or secondary school, playground, recreation center or 9 facility, child care center, public park, public transit center, or 10 library, or any game arcade admission to which is not restricted to 11 persons aged twenty-one years or older.

12 (b) Any city, town, or county may, by ordinance, permit the 13 licensing of premises located within one thousand feet but not less 14 than five hundred feet from any of the facilities identified under 15 (a) of this subsection. Notwithstanding (a) of this subsection, the 16 board may issue a license for premises located in compliance with the 17 ordinance.

(9) In determining whether to grant or deny a license or renewal 18 of any license, the state liquor control board shall give substantial 19 weight to objections from an incorporated city or town or county 20 21 legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be 22 licensed or the applicant's operation of any other licensed premises, 23 or the conduct of the applicant's patrons inside or outside the 24 25 licensed premises. "Chronic illegal activity" means (a) a pervasive 26 pattern of activity that threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, 27 28 open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime 29 statistics, police reports, emergency medical response data, calls 30 31 for service, field data, or similar records of a law enforcement 32 agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations 33 for violations of RCW 46.61.502 associated with the applicant's or 34 licensee's operation of any licensed premises as indicated by the 35 36 reported statements given to law enforcement upon arrest.

37 **Sec. 2.** RCW 69.50.369 and 2013 c 3 s 18 are each amended to read 38 as follows:

1 (1) Except as provided in subsection (2) of this section, no 2 licensed marijuana producer, processor, or retailer shall place or 3 maintain, or cause to be placed or maintained, an advertisement of 4 marijuana, useable marijuana, <u>marijuana concentrates</u>, or ((a)) 5 marijuana-infused product<u>s</u> in any form or through any medium 6 whatsoever:

7 (a) Within one thousand feet of the perimeter of a school 8 grounds, playground, recreation center or facility, child care 9 center, public park, or library, or any game arcade admission to 10 which is not restricted to persons aged twenty-one years or older;

(b) On or in a public transit vehicle or public transit shelter;
or

13 (c) On or in a publicly owned or operated property.

14 (2) Any city, town, or county may, by ordinance, permit the 15 placement of advertisements of marijuana, useable marijuana, 16 marijuana concentrates, or marijuana-infused products within one 17 thousand feet but not less than five hundred feet from any of the 18 facilities identified under subsection (1)(a) of this section. An 19 advertisement complying with such ordinance does not violate this 20 section.

21 (3) Merchandising within a retail outlet is not advertising for 22 the purposes of this section.

23 (((3))) <u>(4)</u> This section does not apply to a noncommercial 24 message.

(((4))) (5) The state liquor control board shall fine a licensee one thousand dollars for each violation of subsection (1) or (2) of this section. Fines collected under this subsection must be deposited into the dedicated marijuana fund created under RCW 69.50.530.

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