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HOUSE BILL 1411

State of Washington 64th Legislature 2015 Regular Session

By Representatives Moscoso, McBride, Springer, and Condotta

Read first time 01/20/15. Referred to Committee on Commerce & Gaming.

- 1 AN ACT Relating to the siting of marijuana facilities; and 2 amending RCW 69.50.331.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 69.50.331 and 2013 c 3 s 6 are each amended to read 5 as follows:
- 6 (1) For the purpose of considering any application for a license 7 to produce, process, or sell marijuana, or for the renewal of a license to produce, process, or sell marijuana, the state liquor 8 control board may cause an inspection of the premises to be made, and 9 10 may inquire into all matters in connection with the construction and 11 operation of the premises. For the purpose of reviewing application for a license and for considering the denial, suspension, 12 revocation, or renewal or denial thereof, of any license, the state 13 liquor control board may consider any prior criminal conduct of the 14 applicant including an administrative violation history record with 15 16 state liquor control board and a criminal history record 17 information check. The state liquor control board may submit the 18 criminal history record information check to the Washington state 19 patrol and to the identification division of the federal bureau of 20 investigation in order that these agencies may search their records 21 for prior arrests and convictions of the individual or individuals

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1 who filled out the forms. The state liquor control board shall require fingerprinting of any applicant whose criminal history record 2 information check is submitted to the federal 3 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A 4 RCW shall not apply to these cases. Subject to the provisions of this 5 6 section, the state liquor control board may, in its discretion, grant 7 or deny the renewal or license applied for. Denial may be based on, limitation, the existence of chronic illegal activity 8 documented in objections submitted pursuant to subsections (7)(c) and 9 (9) of this section. Authority to approve an uncontested or unopposed 10 11 license may be granted by the state liquor control board to any staff 12 member the board designates in writing. Conditions for granting this 13 authority shall be adopted by rule. No license of any kind may be 14 issued to:

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

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- (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.
- 32 (b) The state liquor control board shall immediately suspend the license of a person who has been certified pursuant to RCW 74.20A.320 33 by the department of social and health services as a person who is 34 not in compliance with a support order. If the person has continued 35 36 meet all other requirements for reinstatement during the suspension, reissuance of the license shall be automatic upon the 37 state liquor control board's receipt of a release issued by the 38 39 department of social and health services stating that the licensee is 40 in compliance with the order.

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

- (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.
- (e) In case of disobedience of any person to comply with the order of the state liquor control board or a subpoena issued by the state liquor control board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, shall compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.
- (3) Upon receipt of notice of the suspension or cancellation of a license, the licensee shall forthwith deliver up the license to the state liquor control board. Where the license has been suspended only, the state liquor control board shall return the license to the licensee at the expiration or termination of the period of suspension. The state liquor control board shall notify all other licensees in the county where the subject licensee has its premises of the suspension or cancellation of the license; and no other licensee or employee of another licensee may allow or cause any marijuana, useable marijuana, or marijuana-infused products to be delivered to or for any person at the premises of the subject licensee.
- (4) Every license issued under chapter 3, Laws of 2013 shall be subject to all conditions and restrictions imposed by chapter 3, Laws of 2013 or by rules adopted by the state liquor control board to implement and enforce chapter 3, Laws of 2013. All conditions and restrictions imposed by the state liquor control board in the

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- issuance of an individual license shall be listed on the face of the individual license along with the trade name, address, and expiration date.
 - (5) Every licensee shall post and keep posted its license, or licenses, in a conspicuous place on the premises.

- 6 (6) No licensee shall employ any person under the age of twenty-7 one years.
 - (7)(a) Before the state liquor control board issues a new or renewed license to an applicant it shall give notice of the application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license outside the boundaries of incorporated cities or towns.
 - (b) The incorporated city or town through the official or employee selected by it, or the county legislative authority or the official or employee selected by it, shall have the right to file with the state liquor control board within twenty days after the date of transmittal of the notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewed license is asked. The state liquor control board may extend the time period for submitting written objections.
- (c) The written objections shall include a statement of all facts upon which the objections are based, and in case written objections are filed, the city or town or county legislative authority may request, and the state liquor control board may in its discretion hold, a hearing subject to the applicable provisions of Title 34 RCW. If the state liquor control board makes an initial decision to deny a license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If a hearing is held at the request of the applicant, state liquor control board representatives shall present and defend the state liquor control board's initial decision to deny a license or renewal.
 - (d) Upon the granting of a license under this title the state liquor control board shall send written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county legislative authority if the

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license is granted outside the boundaries of incorporated cities or towns.

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- (8) The state liquor control board shall not issue a license for any premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older, unless the legislative body of an incorporated city or town has exempted the city or town from the one thousand foot restriction set forth in this subsection by adopting legislation that declares that the exemption:
- (a) Is necessary to create enough potential locations within the city or town to allow a marijuana retail facility to be sited; and
- (b) Will not negatively impact the jurisdiction's strong regulatory enforcement, law enforcement interests, public safety, or public health. Included in the legislation with such declarations, the legislative body of an incorporated city or town may exempt certain specific land uses, except elementary or secondary schools, from some or all of the one thousand foot restriction set forth in this subsection.
- (9) In determining whether to grant or deny a license or renewal of any license, the state liquor control board shall give substantial weight to objections from an incorporated city or town or county legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises, or the conduct of the applicant's patrons inside or outside the licensed premises. "Chronic illegal activity" means (a) a pervasive pattern of activity that threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime statistics, police reports, emergency medical response data, calls for service, field data, or similar records of a law enforcement agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations for violations of RCW 46.61.502 associated with the applicant's or

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- 1 licensee's operation of any licensed premises as indicated by the
- 2 reported statements given to law enforcement upon arrest.

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