
SENATE BILL 5572

State of Washington

64th Legislature

2015 Regular Session

By Senators Kohl-Welles, Hasegawa, Cleveland, Darneille, Conway, and Mullet

Read first time 01/23/15. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to the sales, distribution, and delivery of
2 marijuana; amending RCW 69.50.331; and adding new sections to chapter
3 69.50 RCW.

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

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

7 (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 license to produce, process, or sell marijuana, the state liquor
10 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 operation of the premises. For the purpose of reviewing any
13 application for a license and for considering the denial, suspension,
14 revocation, or renewal or denial thereof, of any license, the state
15 liquor control board may consider any prior criminal conduct of the
16 applicant including an administrative violation history record with
17 the state liquor control board and a criminal history record
18 information check. The state liquor control board may submit the
19 criminal history record information check to the Washington state
20 patrol and to the identification division of the federal bureau of
21 investigation in order that these agencies may search their records

1 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 of
5 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A
6 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 documented in objections submitted pursuant to subsections (7)(c) and
11 (9) of this section. Authority to approve an uncontested or unopposed
12 license may be granted by the state liquor control board to any staff
13 member the board designates in writing. Conditions for granting this
14 authority shall be adopted by rule. No license of any kind may be
15 issued to:

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

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

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

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

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

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

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

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

11 (d) Witnesses shall be allowed fees and mileage each way to and
12 from any inquiry, investigation, hearing, or proceeding at the rate
13 authorized by RCW 34.05.446. Fees need not be paid in advance of
14 appearance of witnesses to testify or to produce books, records, or
15 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
18 state liquor control board, or any of its members, or administrative
19 law judges, or on the refusal of a witness to testify to any matter
20 regarding which he or she may be lawfully interrogated, the judge of
21 the superior court of the county in which the person resides, on
22 application of any member of the board or administrative law judge,
23 shall compel obedience by contempt proceedings, as in the case of
24 disobedience of the requirements of a subpoena issued from said court
25 or a refusal to testify therein.

26 (3) Upon receipt of notice of the suspension or cancellation of a
27 license, the licensee shall forthwith deliver up the license to the
28 state liquor control board. Where the license has been suspended
29 only, the state liquor control board shall return the license to the
30 licensee at the expiration or termination of the period of
31 suspension. The state liquor control board shall notify all other
32 licensees in the county where the subject licensee has its premises
33 of the suspension or cancellation of the license; and no other
34 licensee or employee of another licensee may allow or cause any
35 marijuana, useable marijuana, or marijuana-infused products to be
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
18 employee selected by it, or the county legislative authority or the
19 official or employee selected by it, shall have the right to file
20 with the state liquor control board within twenty days after the date
21 of transmittal of the notice for applications, or at least thirty
22 days prior to the expiration date for renewals, written objections
23 against the applicant or against the premises for which the new or
24 renewed license is asked. The state liquor control board may extend
25 the time period for submitting written objections.

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

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

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) If a city or county adopts an ordinance under section 2 of
13 this act, the state liquor control board shall not issue a license if
14 the premises violates the terms of the ordinance.

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

34 NEW SECTION. Sec. 2. A new section is added to chapter 69.50
35 RCW to read as follows:

36 (1) Except as provided in subsection (2) of this section, no
37 marijuana producer, marijuana processor, marijuana retailer, or
38 marijuana researcher may locate its premises within one thousand feet
39 of the perimeter of the grounds of any elementary or secondary

1 school, playground, recreation center or facility, child care center,
2 public park, public transit center, or library, or any game arcade
3 admission to which is not restricted to persons aged twenty-one years
4 or older.

5 (2) A city, town, or county may adopt an ordinance to decrease to
6 no less than five hundred feet the distance that marijuana producers,
7 marijuana processors, marijuana retailers, or marijuana researchers
8 must be located from recreation centers or facilities, child care
9 centers, public parks, public transit centers, or libraries, or any
10 game arcades admission to which is not restricted to persons aged
11 twenty-one years or older. A city, town, or county may adopt an
12 ordinance to prohibit a marijuana producer, marijuana processor,
13 marijuana retailer, or marijuana researcher from locating its
14 premises up to one thousand feet from a church.

15 (3) For the purposes of this section, "church" means a building
16 erected for and used exclusively for religious worship and schooling
17 or other activity in connection therewith.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 69.50
19 RCW to read as follows:

20 No city, town, or county may adopt, renew, or extend a
21 prohibition or moratorium on marijuana licensees except by ordinance
22 and no such ordinance may take effect unless it is submitted to a
23 vote of the people at a general or special election and approved by a
24 majority of those voting thereon.

25 NEW SECTION. **Sec. 4.** A new section is added to chapter 69.50
26 RCW to read as follows:

27 (1) There shall be a marijuana distribution license that permits
28 a licensee to transport:

29 (a) Marijuana and immature plants from marijuana producers to
30 marijuana processors and other marijuana producers;

31 (b) Marijuana concentrates, useable marijuana, immature plants,
32 and marijuana-infused products from marijuana processors to marijuana
33 retailers and other marijuana processors;

34 (c) Plants from marijuana retailers that are being returned to
35 marijuana producers or marijuana processors;

36 (d) Marijuana grown by marijuana researchers that are being sold
37 to other marijuana researchers; and

1 (e) Cash and receipts from marijuana producers, marijuana
2 processors, and marijuana retailers to a financial institution.

3 (2) The state liquor control board must adopt rules to implement
4 this section. The rules must address, at a minimum, the following:

5 (a) Hours during which marijuana distribution licensees may
6 deliver marijuana, plants, marijuana concentrates, marijuana-infused
7 products, useable marijuana, and cash and receipts;

8 (b) Safety standards for marijuana distribution licensees,
9 including requirements relating to the size of the delivery vehicle
10 and what signage is permissible on the vehicle;

11 (c) Background check requirements for marijuana distribution
12 licensees;

13 (d) Insurance or bonding requirements for marijuana distribution
14 licensees;

15 (e) License fees; and

16 (f) License renewals and suspensions.

17 (3) Other than remuneration for services rendered, marijuana
18 distribution licensees may not have a financial interest in a
19 marijuana producer, processor, retailer, or research licensee.

20 (4) The possession and delivery of marijuana in accordance with
21 this section and the rules adopted to implement and enforce it, by a
22 marijuana distribution licensee, shall not be a criminal or civil
23 offense under Washington state law. Every marijuana distribution
24 license shall be issued in the name of the applicant, shall specify a
25 permanent physical location out of which the marijuana distribution
26 licensee intends to operate, which must be within the state of
27 Washington, and the holder thereof shall not allow any other person
28 to use the license.

29 NEW SECTION. **Sec. 5.** A new section is added to chapter 69.50
30 RCW to read as follows:

31 (1) There shall be a marijuana delivery license that permits a
32 licensee to transport marijuana concentrates, immature plants,
33 marijuana-infused products, and useable marijuana from a marijuana
34 retailer to a marijuana consumer.

35 (2) The state liquor control board must adopt rules to implement
36 this section. The rules must address, at a minimum, the following:

37 (a) Hours during which marijuana delivery licensees may deliver
38 marijuana concentrates, immature plants, marijuana-infused products,
39 and useable marijuana;

1 (b) Safety standards for marijuana delivery licensees, including
2 requirements related to the delivery vehicle and what signage is
3 permissible on the vehicle;
4 (c) Marijuana delivery licensee identification requirements;
5 (d) Background check requirements for marijuana delivery
6 licensees;
7 (e) Insurance or bonding requirements for marijuana delivery
8 licensees;
9 (f) License fees; and
10 (g) License renewals and suspensions.
11 (3) Other than remuneration for services rendered, marijuana
12 delivery licensees may not have a financial interest in a marijuana
13 retailer.
14 (4) The possession and delivery of marijuana in accordance with
15 this section and the rules adopted to implement and enforce it, by a
16 marijuana delivery licensee, shall not be a criminal or civil offense
17 under Washington state law. Every marijuana delivery license shall be
18 issued in the name of the applicant, shall specify a permanent
19 physical location out of which the marijuana delivery licensee
20 intends to operate, which must be within the state of Washington, and
21 the holder thereof shall not allow any other person to use the
22 license.

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