2136-S2 AMH COND MEYE 075

**2SHB 2136** - H AMD **399**

By Representative Condotta

**ADOPTED 04/10/2015**

Beginning on page 14, line 17, strike all of subsection (2)(g)(i) and insert the following:

"(i) Until January 1, 2022, 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 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 shall 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 shall 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 shall receive sixty percent of the distribution, which shall be disbursed based on each county's total proportional population, including the population within incorporated cities and towns, and cities and towns shall receive forty percent of this distribution, which shall be based on each city or town's total proportional population. Funds may only be distributed to jurisdictions that do not prohibit the siting of any state licensed marijuana producer, processor or retailer.

(ii) Distribution amounts allocated to each county, city and town must be distributed in four installments by the last day of each fiscal quarter"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 45, line 37, after "1203." insert "(1)"

On page 46, beginning on line 7, after "formula" strike "required under section 206(2)(g)(i) of this act." and insert "in subsection (2) of this section.

(2)(a) The distribution amount allocated to each county, including the portion for eligible cities within the county, is ratably based on the total amount of taxable sales of marijuana products subject to the marijuana excise tax under RCW 69.50.535 in the prior fiscal year within the county, including all taxable sales attributable to the incorporated areas within the county. Distribution amounts allocated to each county, and eligible cities within the county, must be distributed in four installments by the last day of each fiscal quarter as follows:

(b) Sixty percent must be distributed to each county, except where there is no eligible city with taxable sales of marijuana products in the prior fiscal year, in which case the county must receive one hundred percent of the distribution amount allocated to the county as determined in (a) of this subsection. A county in which the producing, processing, or retailing of marijuana products is prohibited in the unincorporated area of the county is not entitled to a distribution and the distribution amount must be distributed instead to the eligible cities within the county as provided in (c) of this subsection.

(c) After making any distribution to counties as provided in (b) of this subsection, the treasurer must distribute the remaining amount to eligible cities within the counties. The share to each eligible city within a county must be determined by a division among the eligible cities within each county ratably based on total sales, from the prior fiscal year, of all marijuana products subject to the marijuana excise tax under RCW 69.50.535 within the boundaries of each eligible city located within the county. "Eligible city" means any city or town in which sales of marijuana products are attributable to a marijuana retailer, as defined in RCW 69.50.101, located within the boundaries of the city or town.

(d) 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 subsection (2) of this section."

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|  | EFFECT:   Changes the local distribution allocation for distributions that start after the general fund minimum of $25 million is reached. This change requires 30% of the total local distribution amount to be disbursed based on the proportional amount of retail sales of marijuana within the jurisdiction. The remaining 70% is disbursed based on population. Counties will receive 60% of this amount and cities will receive the remaining 40%. Specifically prohibits jurisdictions from receiving local distributions if they prohibit the siting of a marijuana business. |

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