## 5012-S AMH COG H2309.1

## <u>SSB 5012</u> - H COMM AMD By Committee on Commerce & Gaming

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. The legislature finds that hemp has been continuously cultivated for millennia, is accepted and available in the global marketplace, and has numerous beneficial, practical, and economic uses, including, but not limited to: High strength fiber; textiles; clothing; biofuel; paper products; protein rich food containing fatty acids and amino acids; biodegradable plastics; resins; nontoxic medicinal and cosmetic products; construction materials; rope; and value-added crafts.

The many beneficial agricultural and environmental uses of hemp include, but are not limited to: Livestock feed and bedding; carbon dioxide absorption and conversion; stream buffering; erosion control; water and soil purification; and weed control.

The hemp plant is an annual herbaceous plant that, on average, varies in height from three to nineteen feet and has a stem diameter averaging between one-quarter to one and one-half inches. The hemp plant is morphologically distinctive and readily identifiable as an agricultural crop grown for the cultivation and harvesting of its fiber and seed.

The agricultural act of 2014, known as the farm bill, passed by congress last year, authorizes the growing of hemp by institutions of higher learning and state departments of agriculture for academic or agricultural research purposes, but only in those states that have already legalized hemp production. At least eight states have passed legislation generally authorizing the production and marketing of industrial hemp and eleven others have authorized either hemp pilot studies or the production of hemp for agricultural research purposes, or both.

Hemp cultivation will enable the state of Washington to accelerate economic growth and job creation, promote environmental stewardship, and expand export opportunities.

Therefore, it is the intent of the legislature to legalize the agricultural production of industrial hemp and provide a regulatory

- 1 framework that will ensure the security and safety of hemp crops
- 2 while at the same time facilitate the ability of Washington farmers
- 3 to successfully compete in the global hemp marketplace.

MEW SECTION. Sec. 2. (1) Industrial hemp is an agricultural product that may be legally grown, produced, possessed, processed, and commercially traded in accordance with the provisions of this chapter. Interstate and international commercial transactions may be conducted by state licensed industrial hemp producers and processors with respect to industrial hemp and industrial hemp products produced in this state by licensees. The department is granted the rule-making

authority necessary to implement the provisions of this chapter.

- (2) The department is authorized to adopt rules addressing the 12 prevention of cross-pollination between industrial hemp plants and 13 marijuana plants. Any rule making regarding this issue must be done 14 15 in consultation with the state liquor control board in order to 16 ensure consistency between the rules developed by the department and 17 the state liquor control board, respectively, relating to crosspollination issues potentially affecting licensees under this chapter 18 19 and chapter 69.50 RCW.
- NEW SECTION. Sec. 3. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 23 (1) "Cultivar" means a variation of genera *Cannabis* that has been developed through cultivation by selective breeding.
- 25 (2) "Department" means the Washington state department of 26 agriculture.
- 27 (3) "Grower" means any person or entity growing industrial hemp 28 and being duly licensed in accordance with the provisions of this 29 chapter.
- (4) "Hemp products" include all products made from industrial 30 hemp including, but not limited to, cloth, cordage, fiber, food, 31 fuel, paint, paper, building materials, plastics, seed, livestock 32 feed, seed meal, seed oil intended for consumption, seed certified 33 34 for cultivation, or any other hemp product derived from industrial hemp, provided the product is derived from seeds originating from 35 industrial hemp cultivars approved by the department in accordance 36 with the provisions of this chapter. 37

(5) "Industrial hemp" means all parts and varieties of the genera Cannabis, cultivated or possessed by a grower, whether growing or not, that contain a tetrahydrocannabinol concentration of 0.3 percent or less by dry weight, except that the THC concentration limit of 0.3 percent may be exceeded with respect to seeds used for licensed industrial hemp research conducted in accordance with the requirements of sections 8 and 10 of this act. Industrial hemp does not include plants of the genera Cannabis that meet the definition of "marijuana" under RCW 69.50.101.

1

2

3

4

5

6

7

8

9

10 11

12

13 14

20

21

2223

24

25

26

27

28

- (6) "THC" or "tetrahydrocannabinol" means the component delta-9-tetrahydrocannibinol contained in the genera *Cannabis*, or in the resinous extractives of the genera *Cannabis*, or the synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity.
- 15 (7) "THC concentration" means percent of total THC, which is the 16 percent of delta-9 tetrahydrocannabinol in any part of the genera 17 Cannabis, regardless of moisture content.
- NEW SECTION. Sec. 4. (1) The department shall administer and enforce the provisions of this chapter.
  - (2) The department is authorized to investigate compliance with this chapter, and have access, subject to the provisions of subsection (3) of this section, to all land, buildings, or places where industrial hemp is grown, kept, stored, or handled, and to all records relating to hemp production. The department may make copies of the records.
  - (3) The department may access properties and records specified in subsection (2) of this section during regular business hours upon the consent of the grower or when the department has probable cause to believe that any grower licensed under this chapter is otherwise in violation of this chapter or rules adopted under it.
- NEW SECTION. Sec. 5. (1) Any person or entity wishing to engage in the production of industrial hemp must be licensed as an industrial hemp grower by the department. A department-issued license authorizes industrial hemp production only at the site or sites specified by the licensee in the licensee's license application.
- 36 (2) In order to obtain a license, a prospective licensee must 37 file an application with the department. The department must make a 38 determination to either grant or deny a license within sixty days of

receipt of the application. A department-issued license is valid for thirty-six months and may be renewed, but may not be transferred.

3

4

5

7

14

15

16 17

- (3) To qualify for a license, an applicant shall demonstrate to the satisfaction of the department, in a manner prescribed by the department, that the applicant intends to and is capable of growing industrial hemp and has adopted methods to ensure its safe production, which at a minimum include:
- 8 (a) Securing the supply of all industrial hemp seed obtained for 9 planting in compliance with this chapter;
- 10 (b) Ensuring the integrity of the industrial hemp crop while it 11 is in the field, which includes filing with the department the 12 location and acreage of all parcels sown and other field reference 13 information as may be required by the director;
  - (c) Agreeing to the provisions of section 4 of this act regarding inspections and records requests by the department; and
  - (d) Maintaining records that reflect compliance with the provisions of this chapter and with all other state law regulating the planting and cultivation of hemp.
- 19 (4)(a) Except as provided in (b) of this subsection, all licensed 20 growers must maintain all production records for at least three years 21 at the production site.
- (b) Licensed growers who are corporate entities must maintain production records for at least three years either at the production site or at a corporate office located within the state.
- 25 (5) Every grower shall place signs at the natural access points 26 of industrial hemp fields that communicate, at a minimum, that the 27 crop is industrial hemp and that the THC content is insignificant. 28 The minimum length of the signs is twenty-four inches and the minimum 29 height is eighteen inches.
- NEW SECTION. Sec. 6. (1) The department may deny, suspend, revoke, or refuse to renew the license of any grower that:
- 32 (a) Makes a false statement or misrepresentation on an 33 application for a license or renewal of a license;
- 34 (b) Fails to comply with or violates any provision of this 35 chapter or any rule adopted under it; or
- 36 (c) Fails to take any action required by the department under the 37 provisions of this chapter.

- 1 (2) Revocation or suspension of a license may be in addition to 2 any criminal penalties or fines imposed on a grower under other state 3 law.
- NEW SECTION. Sec. 7. (1) The department shall charge an annual 4 5 fee for each license granted to a grower under this chapter. The fee amount charged for the first growing season after the effective date б of this section is thirty dollars per acre of land under cultivation. 7 After the first growing season, the department shall adopt by rule a 8 fee sufficient to fully fund and administer the program, to be used 9 10 beginning with the growing season following the first growing season. All fee revenue must be deposited in the dedicated industrial hemp 11 account created in section 12 of this act. 12
- 13 (2) After the third growing season, the department shall report 14 to the legislature on the fee amount, the acres of industrial hemp in 15 production, and the revenue generated from industrial hemp.

17

18 19

20

21

2223

24

25

2627

2829

30

31

3233

34

35

36

- NEW SECTION. Sec. 8. (1) The industrial hemp authorized for production under this chapter must be propagated through certified, conventionally bred pedigreed seeds as determined by the department through its rule-making authority. Except when grown by an accredited agricultural research institution or by a registered seed breeder developing a new Washington seed cultivar, industrial hemp must be grown only from seed types identified on a list of approved seed cultivars to be established by the department by rule.
  - (2) The following varieties of seed cultivars are approved by the department for industrial hemp production and are exempt from the THC testing required under section 9 of this act: Alyssa; Anka; CFX-1; CFX-2; Delores; X-59 (Hemp Nut); Crag; CRS-1; USO 14; USO 31; and Zolotonosha 11.
- (3) The following varieties of seed cultivars are approved by the department for industrial hemp production but must undergo THC testing as required under section 9 of this act unless and until such time as the department determines they are exempt from THC testing: Canda; CanMa; Carmagnola; Carmen; CS; Deni; Epsilon 68; ESTA-1; Fasamo; Fedrina 74; Fedura 17; Felina 34; Ferimon; Fibranova; Fibriko; Fibrimon 24; Fibrimon 56; Finola; Futura 75; Joey; Jutta; Komplti; Kompolti Hybrid TC; Kompolti Sargaszaru; Lovrin 110; Petera; Santhica 27; Silesia; UC-RGM; Uniko B; Yvonne; and Zolotonosha 15.

(4) In addition to those approved cultivars identified in subsections (2) and (3) of this section, the department must determine and adopt by rule a list of approved seed cultivars. In establishing the list of department-approved seed cultivars, the department should consider the following:

1

2

3

4

5 6

7

8

9

13

14

15 16

17

18 19

2021

22

23

2425

26

2728

- (a) Industrial hemp seed cultivars that have been certified by or after January 1, 2013, by member organizations of the association of official seed certifying agencies, including, but not limited to, the Canadian seed growers' association; and
- 10 (b) Industrial hemp seed cultivars that have been certified by or 11 after January 1, 2013, by the organization of economic cooperation 12 and development.
  - (5) Industrial hemp seeds are subject to the provisions and requirements of RCW 15.49.370, which establishes the general regulatory authority of the department with respect to agricultural seeds. Pursuant to this authority, the department may sample, inspect, analyze, and generally regulate the industrial hemp seeds used by licensed growers in this state. The department may also charge fees and special assessments to licensed growers, as established by rule, related to the inspection, testing, and certification of industrial hemp seeds.
  - (6) For the purposes of this section and RCW 15.49.370, industrial hemp seed samples collected for inspection and testing purposes must be directly taken into the custody of an authorized employee of the department. Following collection, the department employee must package and transport the seeds in a manner that ensures that the integrity of the sample is maintained until delivery to the testing facility.
    - (7) The department is not responsible for:
- 30 (a) Determining whether a specific hemp product has been derived 31 from approved industrial hemp cultivars; or
- 32 (b) Taking any enforcement action requiring the determination of 33 whether a hemp product has been derived from approved industrial hemp 34 cultivars.
- NEW SECTION. Sec. 9. (1) Industrial hemp growers are required to annually submit plant samples to an independent, departmentcertified testing laboratory for the testing of THC levels in accordance with the requirements of this chapter. The annual test results must be retained by the grower for a period of three years.

- 1 The samples must be from each noncontiguous, individually
- 2 identifiable field, regardless of size, that is owned or controlled
- 3 by the grower. The costs of the testing must be borne by the producer
- 4 and the test results must be provided to the department by either the
- 5 laboratory or the grower, or both, at the request of the department.
- 6 The department has discretionary authority to require random testing
- 7 at any time.
- 8 (2) The department may exempt a grower from the annual testing
- 9 requirement established under this section if the annual test results
- 10 of the hemp varieties grown by that producer prove to contain 0.3
- 11 percent THC or less for three consecutive years.
- 12 (3) The department shall adopt by rule the criteria for the
- 13 certification of a testing laboratory and the testing standards and
- 14 processes to be used by a laboratory under this section.
- 15 <u>NEW SECTION.</u> **Sec. 10.** (1) Subject to receiving federal or
- 16 private funds for this purpose, Washington State University shall
- 17 study the feasibility and desirability of industrial hemp production
- 18 in Washington state. In conducting the study, Washington State
- 19 University shall gather information from agricultural and scientific
- 20 literature, consulting with experts and the public, and reviewing the
- 21 best practices of other states and countries worldwide regarding the
- 22 development of markets for industrial hemp and hemp products. The
- 23 study must include an analysis of:
  - (a) The market economic conditions affecting the development of
- 25 an industrial hemp industry in the state;
- 26 (b) The estimated value-added benefit that Washington's economy
- 27 would obtain from having a developed industrial hemp industry in the
- 28 state;

- 29 (c) Whether Washington soils and growing conditions are
- 30 appropriate for economically viable levels of industrial hemp
- 31 production;
- 32 (d) Issues related to the potential for cross-pollination between
- 33 industrial hemp plants and marijuana plants;
- 34 (e) The threat posed to industrial hemp by agricultural pests and
- 35 diseases and the potential remedies for these agricultural threats;
- 36 (f) Any potential threat to the state's hop industry posed by the
- 37 agricultural production of industrial hemp and methods that might be
- 38 used to mitigate such threat;

- 1 (g) The agronomy research being conducted worldwide relating to 2 industrial hemp varieties, production, and use; and
- 3 (h) Other legislative acts, experiences, and outcomes around the 4 world regarding industrial hemp production.
- 5 (2)(a) Washington State University shall report its findings to 6 the legislature by January 14, 2016.
- 7 (b) The report must include recommendations for any legislative 8 actions necessary to encourage and support the development of an 9 industrial hemp industry in the state of Washington.
- 10 (3) This section expires August 1, 2016.
- NEW SECTION. Sec. 11. Raw hemp seeds intended for human consumption may not be sold to the public at retail unless the processing of the seeds includes heating sufficient to kill the seed so as to ensure that the seed is incapable of germination. This requirement does not apply to retail sales of raw hemp seeds that have had the hulls removed.
- <u>NEW SECTION.</u> **Sec. 12.** The dedicated industrial hemp account is 17 18 created in the custody of the state treasurer. All receipts from license fees, seed testing fees and assessments, penalties, 19 forfeitures, and all other moneys, income, or revenue received by the 20 department from industrial hemp-related activities must be deposited 21 into the account. Expenditures from the account may be used only for 22 23 the purposes of this chapter in order to defray the costs of 24 activities and expenditures related to the regulation of industrial hemp. Only the director of the department or the director's designee 25 26 may authorize expenditures from the account. The account is subject 27 to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. 28
- Sec. 13. By January 15th of each year, the 29 NEW SECTION. department must report to the relevant committees of the legislature 30 31 with jurisdiction over agricultural activities 32 implementation of this chapter and on the commercialization of 33 industrial hemp in this state and elsewhere in the world, and 34 recommend any changes to this chapter deemed appropriate.
- 35 **Sec. 14.** RCW 69.50.345 and 2013 c 3 s 10 are each amended to 36 read as follows:

- The state liquor control board, subject to the provisions of chapter 3, Laws of 2013, must adopt rules ((by December 1, 2013,)) that establish the procedures and criteria necessary to implement the following:
  - (1) Licensing of marijuana producers, marijuana processors, and marijuana retailers, including prescribing forms and establishing application, reinstatement, and renewal fees;
  - (2) Determining, in consultation with the office of financial management, the maximum number of retail outlets that may be licensed in each county, taking into consideration:
    - (a) Population distribution;

7

8

9

10 11

12

16

17

18

19

2021

22

- (b) Security and safety issues; and
- 13 (c) The provision of adequate access to licensed sources of 14 useable marijuana and marijuana-infused products to discourage 15 purchases from the illegal market;
  - (3) Determining the maximum quantity of marijuana a marijuana producer may have on the premises of a licensed location at any time without violating Washington state law;
  - (4) Determining the maximum quantities of marijuana, useable marijuana, and marijuana-infused products a marijuana processor may have on the premises of a licensed location at any time without violating Washington state law;
- (5) Determining the maximum quantities of useable marijuana and marijuana-infused products a marijuana retailer may have on the premises of a retail outlet at any time without violating Washington state law;
- 27 (6) In making the determinations required by subsections (3) 28 through (5) of this section, the state liquor control board shall 29 take into consideration:
  - (a) Security and safety issues;
- 31 (b) The provision of adequate access to licensed sources of 32 marijuana, useable marijuana, and marijuana-infused products to 33 discourage purchases from the illegal market; and
- 34 (c) Economies of scale, and their impact on licensees' ability to 35 both comply with regulatory requirements and undercut illegal market 36 prices;
- (7) Determining the nature, form, and capacity of all containers to be used by licensees to contain marijuana, useable marijuana, and marijuana-infused products, and their labeling requirements, to include but not be limited to:

- 1 (a) The business or trade name and Washington state unified 2 business identifier number of the licensees that grew, processed, and 3 sold the marijuana, useable marijuana, or marijuana-infused product;
  - (b) Lot numbers of the marijuana, useable marijuana, or marijuana-infused product;
- 6 (c) THC concentration of the marijuana, useable marijuana, or marijuana-infused product;
- 8 (d) Medically and scientifically accurate information about the 9 health and safety risks posed by marijuana use; and
  - (e) Language required by RCW 69.04.480;

5

10 11

12

13 14

15 16

17

18

19

20

21

22

23

2425

2627

- (8) In consultation with the department of agriculture, establishing classes of marijuana, useable marijuana, and marijuana-infused products according to grade, condition, cannabinoid profile, THC concentration, or other qualitative measurements deemed appropriate by the state liquor control board;
- (9) Addressing issues relating to the prevention of cross-pollination between industrial hemp plants and marijuana plants. Any rule making on this issue must be done in consultation with the department of agriculture in order to ensure consistency between the rules developed by the department of agriculture and the state liquor control board, respectively, related to cross-pollination issues potentially affecting licensees under this chapter and chapter 15.--RCW (the new chapter created in section 17 of this act);
- (10) Establishing reasonable time, place, and manner restrictions and requirements regarding advertising of marijuana, useable marijuana, and marijuana-infused products that are not inconsistent with the provisions of chapter 3, Laws of 2013, taking into consideration:
- 29 (a) Federal laws relating to marijuana that are applicable within 30 Washington state;
- 31 (b) Minimizing exposure of people under twenty-one years of age 32 to the advertising; and
- 33 (c) The inclusion of medically and scientifically accurate 34 information about the health and safety risks posed by marijuana use 35 in the advertising;
- ((\(\frac{(10)}{10}\))) (11) Specifying and regulating the time and periods when, and the manner, methods, and means by which, licensees shall transport and deliver marijuana, useable marijuana, and marijuana-infused products within the state;

((\(\frac{(11)}{11}\))) (12) In consultation with the department and the department of agriculture, establishing accreditation requirements for testing laboratories used by licensees to demonstrate compliance with standards adopted by the state liquor control board, and prescribing methods of producing, processing, and packaging marijuana, useable marijuana, and marijuana-infused products; conditions of sanitation; and standards of ingredients, quality, and identity of marijuana, useable marijuana, and marijuana-infused products produced, processed, packaged, or sold by licensees;

1

2

3

4

5

6

7

8

9

10 11

12

13

14

15

16

2425

28

2930

31

- ((\(\frac{(12)}{12}\))) (13) Specifying procedures for identifying, seizing, confiscating, destroying, and donating to law enforcement for training purposes all marijuana, useable marijuana, and marijuana-infused products produced, processed, packaged, labeled, or offered for sale in this state that do not conform in all respects to the standards prescribed by chapter 3, Laws of 2013 or the rules of the state liquor control board.
- 17 **Sec. 15.** RCW 69.50.101 and 2014 c 192 s 1 are each amended to 18 read as follows:
- 19 Unless the context clearly requires otherwise, definitions of 20 terms shall be as indicated where used in this chapter:
- 21 (a) "Administer" means to apply a controlled substance, whether 22 by injection, inhalation, ingestion, or any other means, directly to 23 the body of a patient or research subject by:
  - (1) a practitioner authorized to prescribe (or, by the practitioner's authorized agent); or
- 26 (2) the patient or research subject at the direction and in the 27 presence of the practitioner.
  - (b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser. It does not include a common or contract carrier, public warehouseperson, or employee of the carrier or warehouseperson.
    - (c) "Commission" means the pharmacy quality assurance commission.
- 33 (d) "Controlled substance" means a drug, substance, or immediate 34 precursor included in Schedules I through V as set forth in federal 35 or state laws, or federal or 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
- 5 (ii) with respect to a particular individual, that the individual 6 represents or intends to have a stimulant, depressant, or 7 hallucinogenic effect on the central nervous system substantially 8 similar to the stimulant, depressant, or hallucinogenic effect on the 9 central nervous system of a controlled substance included in Schedule 10 I or II.
  - (2) The term does not include:
- (i) a controlled substance;

26

27

2829

30 31

32

- 13 (ii) a substance for which there is an approved new drug 14 application;
- 15 (iii) a substance with respect to which an exemption is in effect 16 for investigational use by a particular person under Section 505 of 17 the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the 18 extent conduct with respect to the substance is pursuant to the 19 exemption; or
- 20 (iv) any substance to the extent not intended for human 21 consumption before an exemption takes effect with respect to the 22 substance.
- 23 (f) "Deliver" or "delivery," means the actual or constructive 24 transfer from one person to another of a substance, whether or not 25 there is an agency relationship.
  - (g) "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.
- (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
- 3 individuals or animals; and (4) controlled substances intended for
- 4 use as a component of any article specified in (1), (2), or (3) of 5 this subsection. The term does not include devices or their
- 6 components, parts, or accessories.

8

10 11

12

13

14

15

23

2425

26

27

28 29

30

31

32

33

34

3536

37

38 39

- (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:
- 16 (1) that the commission has found to be and by rule designates as 17 being the principal compound commonly used, or produced primarily for 18 use, in the manufacture of a controlled substance;
- 19 (2) that is an immediate chemical intermediary used or likely to 20 be used in the manufacture of a controlled substance; and
- 21 (3) the control of which is necessary to prevent, curtail, or 22 limit the manufacture of the controlled substance.
  - (p) "Isomer" means an optical isomer, but in subsection (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.
  - (q) "Lot" means a definite quantity of marijuana, useable marijuana, or marijuana-infused product identified by a lot number, every portion or package of which is uniform within recognized 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:

6

7

8

9

10

11 12

26

27

2829

30 31

32

33

34

35

36

- (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 13 14 Cannabis, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin 15 16 extracted from any part of the plant; and every compound, 17 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include industrial hemp, as 18 defined in section 3 of this act, seeds used for licensed industrial 19 hemp research under sections 8 and 10 of this act, the mature stalks 20 21 of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, 22 derivative, mixture, or preparation of the mature stalks (except the 23 24 resin extracted therefrom), fiber, oil, or cake, or the sterilized 25 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.
  - (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.
- 38 (x) "Marijuana-infused products" means products that contain 39 marijuana or marijuana extracts, are intended for human use, and have 40 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.
  - (y) "Marijuana retailer" means a person licensed by the state liquor control board to sell useable marijuana and marijuana-infused products in a retail outlet.
  - (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.
- 21 (4) Coca leaves, except coca leaves and extracts of coca leaves 22 from which cocaine, ecgonine, and derivatives or ecgonine or their 23 salts have been removed.
  - (5) Cocaine, or any salt, isomer, or salt of isomer thereof.
  - (6) Cocaine base.

4

5

6

7

8

9

10

11

12

13 14

15

16 17

18

19 20

24

25

30 31

32

33

34

35

36

37

- 26 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer 27 thereof.
- 28 (8) Any compound, mixture, or preparation containing any quantity 29 of any substance referred to in subparagraphs (1) through (7).
  - (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.
- 39 (bb) "Opium poppy" means the plant of the species Papaver 40 somniferum L., except its seeds.

- 1 (cc) "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, 2 governmental subdivision or agency, or any other legal or commercial 3 4 entity.
  - (dd) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.
    - (ee) "Practitioner" means:

6

7

9

19

26

27

28 29

30 31

32

33

34

35 36

37

38 39

- (1) A physician under chapter 18.71 RCW; a physician assistant 8 under chapter 18.71A RCW; an osteopathic physician and surgeon under chapter 18.57 RCW; an osteopathic physician assistant under chapter 10 11 18.57A RCW who is licensed under RCW 18.57A.020 subject to any 12 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 13 subject to any limitations in RCW 18.53.010; a dentist under chapter 14 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; 15 16 a veterinarian under chapter 18.92 RCW; a registered nurse, advanced 17 registered nurse practitioner, or licensed practical nurse under 18 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 20 investigator under this chapter, licensed, registered or otherwise 21 permitted insofar as is consistent with those licensing laws to 22 distribute, dispense, conduct research with respect to or administer 23 a controlled substance in the course of their professional practice 24 25 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, 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 veterinarian licensed to practice veterinary medicine in any state of the United States.

- (ff) "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.
- 5 (gg) "Production" includes the manufacturing, planting, 6 cultivating, growing, or harvesting of a controlled substance.
- 7 (hh) "Retail outlet" means a location licensed by the state 8 liquor control board for the retail sale of useable marijuana and 9 marijuana-infused products.
- 10 (ii) "Secretary" means the secretary of health or the secretary's 11 designee.
- 12 (jj) "State," unless the context otherwise requires, means a 13 state of the United States, the District of Columbia, the 14 Commonwealth of Puerto Rico, or a territory or insular possession 15 subject to the jurisdiction of the United States.

17

18

19

20

- (kk) "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.
- (11) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for the use of a member of the individual's household or for administering to an animal owned by the individual or by a member of the individual's household.
- (mm) "Useable marijuana" means dried marijuana flowers. The term 28 "useable marijuana" does not include either marijuana-infused 29 products or marijuana concentrates.
- 30 **Sec. 16.** RCW 69.50.204 and 2010 c 177 s 2 are each amended to 31 read as follows:
- 32 Unless specifically excepted by state or federal law or 33 regulation or more specifically included in another schedule, the 34 following controlled substances are listed in Schedule I:
- 35 (a) Any of the following opiates, including their isomers, 36 esters, ethers, salts, and salts of isomers, esters, and ethers 37 whenever the existence of these isomers, esters, ethers, and salts is 38 possible within the specific chemical designation:

```
1
         (1) Acetyl-alpha-methylfentanyl (N-[1-(1-methyl-2-phenethyl)-4-
 2
    piperidinyl]-N-phenylacetamide);
         (2) Acetylmethadol;
 3
         (3) Allylprodine;
 4
         (4) Alphacetylmethadol, except levo-alphacetylmethadol,
 5
    known as levo-alpha-acetylmethadol, levomethadyl acetate, or LAAM;
 6
7
         (5) Alphameprodine;
         (6) Alphamethadol;
 8
         (7)
                 Alpha-methylfentanyl (N-[1-(alpha-methyl-beta-phenyl)
9
    ethyl-4-piperidyl] propionanilide); (1-(1-methyl-2-phenylethyl)-4-(N-
10
    propanilido) piperidine);
11
12
              Alpha-methylthiofentanyl
                                         (N-[1-methyl-2-(2-thienyl)ethyl-4-
         (8)
    piperidinyl]-N-phenylpropanamide);
13
         (9) Benzethidine;
14
         (10) Betacetylmethadol;
15
16
                 Beta-hydroxyfentanyl (N-[1-(2-hydroxy-2-phenethyl)-4-
17
    piperidinyl]-N-phenylpropanamide);
         (12) Beta-hydroxy-3-methylfentanyl, some trade or other names: N-
18
19
     [1-(2-hydrox-2-phenethyl)-3-methyl-4-piperidinyl]-N-
20
    phenylpropanamide;
21
         (13) Betameprodine;
22
         (14) Betamethadol;
23
         (15) Betaprodine;
         (16) Clonitazene;
24
25
         (17) Dextromoramide;
26
         (18) Diampromide;
27
         (19) Diethylthiambutene;
28
         (20) Difenoxin;
29
         (21) Dimenoxadol;
30
         (22) Dimepheptanol;
31
         (23) Dimethylthiambutene;
32
         (24) Dioxaphetyl butyrate;
33
         (25) Dipipanone;
         (26) Ethylmethylthiambutene;
34
         (27) Etonitazene;
35
36
         (28) Etoxeridine;
         (29) Furethidine;
37
38
         (30) Hydroxypethidine;
39
         (31) Ketobemidone;
40
         (32) Levomoramide;
```

Official Print - 18

5012-S AMH COG H2309.1

```
1
         (33) Levophenacylmorphan;
                   3-Methylfentanyl
 2
                                         (N-[3-methyl-1-(2-phenylethyl)-4-
 3
    piperidyl]-N-phenylprop anamide);
 4
                3-Methylthiofentanyl (N-[(3-methyl-1-(2-thienyl)ethyl-4-
 5
    piperidinyl]-N-phenylpropanamide);
 6
         (36) Morpheridine;
 7
         (37) MPPP (1-methyl-4-phenyl-4-propionoxypiperidine);
         (38) Noracymethadol;
 8
        (39) Norlevorphanol;
9
         (40) Normethadone;
10
11
        (41) Norpipanone;
12
         (42)
                    Para-fluorofentanyl (N-(4-fluorophenyl)-N-[1-(2-
    phenethyl)-4-piperidinyl] propanamide);
13
14
         (43) PEPAP(1-(-2-phenethyl)-4-phenyl-4-acetoxypiperidine);
        (44) Phenadoxone;
15
16
        (45) Phenampromide;
17
        (46) Phenomorphan;
18
        (47) Phenoperidine;
19
        (48) Piritramide;
        (49) Proheptazine;
20
21
        (50) Properidine;
22
        (51) Propiram;
23
        (52) Racemoramide;
24
        (53) Thiofentanyl (N-phenyl-N-[1-(2-thienyl)ethyl-4-piperidinyl]-
25
    propanaminde);
26
        (54) Tilidine;
27
        (55) Trimeperidine.
28
         (b) Opium derivatives. Unless specifically excepted or unless
    listed in another schedule, any of the following opium derivatives,
29
    including their salts, isomers, and salts of isomers whenever the
30
31
    existence of those salts, isomers, and salts of isomers is possible
32
    within the specific chemical designation:
33
         (1) Acetorphine;
        (2) Acetyldihydrocodeine;
34
35
        (3) Benzylmorphine;
36
        (4) Codeine methylbromide;
        (5) Codeine-N-Oxide;
37
38
         (6) Cyprenorphine;
39
        (7) Desomorphine;
40
         (8) Dihydromorphine;
```

- 1 (9) Drotebanol;
- 2 (10) Etorphine, except hydrochloride salt;
- 3 (11) Heroin;
- 4 (12) Hydromorphinol;
- 5 (13) Methyldesorphine;
- 6 (14) Methyldihydromorphine;
- 7 (15) Morphine methylbromide;
- 8 (16) Morphine methylsulfonate;
- 9 (17) Morphine-N-Oxide;
- 10 (18) Myrophine;
- 11 (19) Nicocodeine;
- 12 (20) Nicomorphine;
- 13 (21) Normorphine;
- 14 (22) Pholcodine;
- 15 (23) Thebacon.
- (c) Hallucinogenic substances. Unless specifically excepted or 16 unless listed in another schedule, any material, compound, mixture, 17 preparation which contains any quantity of the 18 following hallucinogenic substances, including their salts, isomers, and salts 19 20 of isomers whenever the existence of those salts, isomers, and salts 21 of isomers is possible within the specific chemical designation. For the purposes of this subsection only, the term "isomer" includes the 22 optical, position, and geometric isomers: 23
- 24 (1) Alpha-ethyltryptamine: Some trade or other names: 25 Etryptamine; monase; a-ethyl-1H-indole-3-ethanamine; 3-(2-aminobutyl) 26 indole; a-ET; and AET;
- 27 (2) 4-bromo-2,5-dimethoxy-amphetamine: Some trade or other names: 4-bromo-2,5-dimethoxy-a-methylphenethylamine; 4-bromo-2,5-DMA;
- 29 (3) 4-bromo-2,5-dimethoxyphenethylamine: Some trade or other 30 names: 2-(4-bromo-2,5-dimethoxyphenyl)-1-aminoethane; alpha-desmethyl 31 DOB; 2C-B, nexus;
- 32 (4) 2,5-dimethoxyamphetamine: Some trade or other names: 2,5-33 dimethoxy-a-methylphenethylamine; 2,5-DMA;
- 34 (5) 2,5-dimethoxy-4-ethylamphetamine (DOET);
- 35 (6) 2,5-dimethoxy-4-(n)-propylthiophenethylamine: Other name: 36 2C-T-7;
- 37 (7) 4-methoxyamphetamine: Some trade or other names: 4-methoxy-a-38 methylphenethylamine; paramethoxyamphetamine, PMA;
- 39 (8) 5-methoxy-3,4-methylenedioxy-amphetamine;

- 1 (9) 4-methyl-2,5-dimethoxy-amphetamine: Some trade and other
- 2 names: 4-methyl-2,5-dimethoxy-a-methylphenethylamine; "DOM"; and
- 3 "STP";
- 4 (10) 3,4-methylenedioxy amphetamine;
- 5 (11) 3,4-methylenedioxymethamphetamine (MDMA);
- 6 (12) 3,4-methylenedioxy-N-ethylamphetamine, also known as N-
- 7 ethyl-alpha-methyl-3,4(methylenedioxy)phenethylamine, N-ethyl MDA,
- 8 MDE, MDEA;
- 9 (13) N-hydroxy-3,4-methylenedioxyamphetamine also known as
- 10 N-hydroxy-alpha-methyl-3,4(methylenedioxy)phenethylamine,N-hydroxy
- 11 MDA;
- 12 (14) 3,4,5-trimethoxy amphetamine;
- 13 (15) Alpha-methyltryptamine: Other name: AMT;
- 14 (16) Bufotenine: Some trade or other names: 3-(beta-
- 15 Dimethylaminoethyl)-5-hydroxindole; 3-(2-dimethylaminoethyl)-5-
- 16 indolol; N, N-dimethylserotonin; 5-hydroxy-N,N-dimethyltryptamine;
- 17 mappine;
- 18 (17) Diethyltryptamine: Some trade or other names: N,N-
- 19 Diethyltryptamine; DET;
- 20 (18) Dimethyltryptamine: Some trade or other names: DMT;
- 21 (19) 5-methoxy-N,N-diisopropyltryptamine: Other name: 5-MeO-DIPT;
- 22 (20) Ibogaine: Some trade or other names: 7-Ethyl-6,6 beta,
- 23 7,8,9,10,12,13,-octahydro-2-methoxy-6,9-methano-5H-pyndo (1',2' 1,2)
- 24 azepino (5,4-b) indole; Tabernanthe iboga;
- 25 (21) Lysergic acid diethylamide;
- 26 (22) Marihuana or marijuana;
- 27 (23) Mescaline;
- 28 (24) Parahexyl-7374: Some trade or other names: 3-Hexyl-1-
- 29 hydroxy-7, 8, 9, 10-tetrahydro-6, 6, 9-trimethyl-6H-
- 30 dibenzo[b,d]pyran; synhexyl;
- 31 (25) Peyote, meaning all parts of the plant presently classified
- 32 botanically as Lophophora Williamsii Lemaire, whether growing or not,
- 33 the seeds thereof, any extract from any part of such plant, and every
- 34 compound, manufacture, salts, derivative, mixture, or preparation of
- 35 such plant, its seeds, or extracts; (interprets 21 U.S.C. Sec. 812
- 36 (c), Schedule I (c)(12));
- 37 (26) N-ethyl-3-piperidyl benzilate;
- 38 (27) N-methyl-3-piperidyl benzilate;
- 39 (28) Psilocybin;
- 40 (29) Psilocyn;

- 1 (30)(i) Tetrahydrocannabinols, meaning tetrahydrocannabinols
  2 naturally contained in a plant of the ((genus)) genera Cannabis
  3 (((cannabis plant))), as well as synthetic equivalents of the
  4 substances contained in ((the)) such plant, or in the resinous
  5 extractives of the genera Cannabis, ((species,)) and/or synthetic
  6 substances, derivatives, and their isomers with similar chemical
  7 structure and pharmacological activity such as the following:
- 8 ((\(\frac{\((\frac{1}{1}\)\)}{1}\)) (\(\frac{A}\)) 1 cis or trans tetrahydrocannabinol, and their 9 optical isomers, excluding tetrahydrocannabinol in sesame oil and 10 encapsulated in a soft gelatin capsule in a drug product approved by 11 the United States Food and Drug Administration;
- 12  $((\frac{(ii)}{(ii)}))$  (B) 6 cis or trans tetrahydrocannabinol, and their 13 optical isomers;
- 14  $((\frac{(iii)}{)})$  <u>(C)</u> 3,4 cis or trans tetrahydrocannabinol, and its optical isomers;
- 16 (Since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions covered.)
- 19 <u>(ii) Industrial hemp, as defined in section 3 of this act, is</u>
  20 <u>excepted from the categories of controlled substances identified</u>
  21 <u>under this section;</u>
- 22 (31) Ethylamine analog of phencyclidine: Some trade or other 23 names: N-ethyl-1phenylcyclohexalymine, (1-phenylcyclohexl) 24 ethylamine; N-(1-phenylcyclohexyl)ethylamine; cyclohexamine; PCE;
  - (32) Pyrrolidine analog of phencyclidine: Some trade or other names: 1-(1-phencyclohexyl)pyrrolidine; PCPy; PHP;
- 27 (33) Thiophene analog of phencyclidine: Some trade or other 28 names: 1-(1-[2-thenyl]-cyclohexly)-pipendine; 2-thienylanalog of 29 phencyclidine; TPCP; TCP;
- 30 (34) 1-[1-(2-thienyl)cyclohexyl]pyrrolidine: A trade or other 31 name is TCPy.
- 32 (d) Depressants. Unless specifically excepted or unless listed in 33 another schedule, any material, compound, mixture, or preparation 34 which contains any quantity of the following substances having a 35 depressant effect on the central nervous system, including its salts, 36 isomers, and salts of isomers whenever the existence of such salts, 37 isomers, and salts of isomers is possible within the specific 38 chemical designation.

- 1 (1) Gamma-hydroxybutyric acid: Some other names include GHB; 2 gamma-hydroxybutyrate; 4-hydroxybutyrate; 4-hydroxybutanoic acid; 3 sodium oxybate; sodium oxybutyrate;
  - (2) Mecloqualone;
- 5 (3) Methaqualone.

13

- 6 (e) Stimulants. Unless specifically excepted or unless listed in 7 another schedule, any material, compound, mixture, or preparation 8 which contains any quantity of the following substances having a 9 stimulant effect on the central nervous system, including its salts, 10 isomers, and salts of isomers:
- 11 (1) Aminorex: Some other names: aminoxaphen; 2-amino-5-phenyl-2-12 oxazoline; or 4, 5-dihydro-5-phenly-2-oxazolamine;
  - (2) N-Benzylpiperazine: Some other names: BZP,1-benzylpiperazine;
- 14 (3) Cathinone, also known as 2-amino-1-phenyl-1-propanone, 15 alpha-aminopropiophenone, 2-aminopropiophenone and norephedrone;
- 16 (4) Fenethylline;
- 17 (5) Methcathinone: Some other names: 2-(methylamino)18 propiophenone; alpha-(methylamino)propiophenone; 2-(methylamino)-1-
- 19 phenylpropan-1-one; alpha-N-methylaminopropiophenone;
- 20 monomethylpropion; ephedrone; N-methylcathinone; methylcathinone;
- 21 AL-464; AL-422; AL-463 and UR1432, its salts, optical isomers, and
- 22 salts of optical isomers;
- 23 (6) (+-)cis-4-methylaminorex ((+-)cis-4,5-dihydro-4-methyl-5-
- 24 phenyl-2-oxazolamine);
- 25 (7) N-ethylamphetamine;
- 26 (8) N,N-dimethylamphetamine: Some trade or other names: N,N-27 alpha-trimethyl-benzeneethanamine; N,N-alpha-trimethylphenoethylene.
- The controlled substances in this section may be added, rescheduled, or deleted as provided for in RCW 69.50.201.
- NEW SECTION. Sec. 17. Sections 2 through 9 and 11 through 13 of this act constitute a new chapter in Title 15 RCW."

## SSB 5012 - H COMM AMD By Committee on Commerce & Gaming

32 Correct the title.

<u>EFFECT:</u> (1) Designates industrial hemp as an agricultural product that may be legally grown, possessed, and commercially traded.

- (2) Removes industrial hemp from coverage under the state controlled substances act.
- (3) Authorizes the Washington state department of agriculture (WSDA) to issue licenses for the growing of industrial hemp and to regulate the industrial hemp industry.
- (4) Creates standards and requirements that a grower must meet in order to be an industrial hemp grower.
  - (5) Imposes a fee on growers to cover regulatory costs.
- (6) Creates a dedicated industrial hemp account consisting of all moneys received from industrial hemp-related activities and requires that the account be used by the WSDA only to defray the costs of regulatory activities and expenditures.
- (7) Authorizes Washington State University to undertake research regarding industrial hemp production.
- (8) Requires the WSDA and the liquor control board to each adopt rules addressing the prevention of cross-pollination between industrial hemp plants and marijuana plants.
- (9) Identifies specific varieties of industrial hemp that are pre-approved for cultivation and establishes a process for WSDA approval of additional varieties.
- (10) Establishes regulations designed to ensure that the THC content of industrial hemp grown in this state is consistent with international standards.

--- END ---