
SENATE BILL 5858

State of Washington

64th Legislature

2015 Regular Session

By Senators Kohl-Welles and Rivers

Read first time 02/05/15. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to establishing the state cannabis industry and
2 economic development committee; creating new sections; and providing
3 an expiration date.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that voter approval
6 of Initiative Measure No. 502 established a system for licensing and
7 regulating cannabis production, processing, and sales. The
8 legislature further finds that this new industry is creating hundreds
9 of new jobs and generating sizeable amounts of revenues to the state.
10 The legislature further finds there are efforts to expand this
11 industry into other areas, such as industrial hemp, food processing,
12 tourism, health and beauty products, farmers markets, and banking,
13 among others. As such, given a potentially evolving demand and market
14 in new areas, it is the intent of the legislature to create a state
15 cannabis industry and economic development committee to promote and
16 further develop the industry while remaining in compliance with
17 federal guidelines. It is the intent of the legislature that the
18 committee will coordinate and monitor new developments and their
19 impact on Washington state, and to make recommendations to the
20 legislature on establishment of a state comprehensive plan and
21 additional legislation as needed.

1 The legislature also finds that, while the state liquor control
2 board has created the regulatory structure for Initiative Measure No.
3 502, additional issues need to be addressed. Therefore, it is the
4 intent of the legislature that the committee address such evolving
5 issues and submit its policy recommendations for consideration by the
6 2016 legislature.

7 NEW SECTION. **Sec. 2.** (1) A state cannabis industry and economic
8 development committee is established, with members as provided in
9 this subsection.

10 (a) The president of the senate shall appoint one member from
11 each of the two largest caucuses of the senate.

12 (b) The speaker of the house of representatives shall appoint one
13 member from each of the two largest caucuses of the house of
14 representatives.

15 (c) Each of the following agencies shall appoint a representative
16 to serve on the committee:

- 17 (i) The liquor control board;
- 18 (ii) The department of health;
- 19 (iii) The department of revenue;
- 20 (iv) The office of financial management;
- 21 (v) The department of agriculture;
- 22 (vi) The department of commerce; and
- 23 (vii) The department of financial institutions.

24 (d) The governor shall appoint twelve members with a balance of
25 representatives from the medical marijuana community, medical
26 marijuana providers, licensed marijuana producers, licensed marijuana
27 processors, licensed marijuana retailers, industrial hemp producers,
28 food processors, farmers markets, health and beauty aids industries,
29 tourism, banking, and other related industries.

30 (e) One representative shall be appointed each from the
31 association of Washington cities and the Washington state association
32 of counties.

33 (2) The committee must appoint its cochairs, at least one of whom
34 must be from among its legislative membership. The committee shall
35 make rules for orderly procedure and may appoint subcommittees.

36 (3) The committee has the following powers and duties:

37 (a) Developing a state comprehensive plan that identifies and
38 coordinates the various business and economic opportunities within
39 the cannabis industry, including potential opportunities;

1 (b) Recommending a state financial system that best implements
2 the state's marijuana marketplace while maximizing public safety,
3 accurate tax accounting, and compliance with the United States
4 attorney general's guidance regarding marijuana enforcement and
5 guidance regarding marijuana-related financial crimes on
6 implementation of Initiative Measure No. 502;

7 (c) Developing a method for monitoring and assessing the economic
8 returns the cannabis industry delivers to the state;

9 (d) Examining and reporting on any changes in federal law that
10 may impact the legal operations of the cannabis industry in the
11 state;

12 (e) Making recommendations for a statewide cannabis industry and
13 economic development coordinator; and

14 (f) Making recommendations on options for the distribution of tax
15 revenue from the sale of marijuana.

16 (4) The committee shall provide specific preliminary
17 recommendations to the appropriate committees of the legislature by
18 December 15, 2015, and a final report by January 10, 2017.

19 (5) Staff support for the committee must be provided by senate
20 committee services, the house of representatives office of program
21 research, and the represented state agencies.

22 (6) Legislative members of the committee must serve without
23 additional compensation, but must be reimbursed for travel expenses
24 in accordance with RCW 44.04.120. Nonlegislative members, except
25 those representing an employer or organization, are entitled to be
26 reimbursed for travel expenses in accordance with RCW 43.03.050 and
27 43.03.060.

28 (7) The expenses of the committee must be paid jointly by the
29 senate and the house of representatives. Committee expenditures are
30 subject to approval by the senate facilities and operations committee
31 and the house of representatives executive rules committee, or their
32 successor committees.

33 (8) This section expires January 31, 2017.

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