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HOUSE BILL 2483

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State of Washington

65th Legislature

2018 Regular Session

By Representatives Klippert, Kraft, and Haler

Read first time 01/10/18. Referred to Committee on Commerce & Gaming.

1 AN ACT Relating to the siting of marijuana businesses in relation  
2 to areas or facilities frequented by children; amending RCW  
3 69.50.331, 69.50.369, and 69.50.580; and declaring an emergency.

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

5 **Sec. 1.** RCW 69.50.331 and 2017 c 317 s 2 are each amended to  
6 read as follows:

7 (1) For the purpose of considering any application for a license  
8 to produce, process, research, transport, or deliver marijuana,  
9 useable marijuana, marijuana concentrates, or marijuana-infused  
10 products subject to the regulations established under RCW 69.50.385,  
11 or sell marijuana, or for the renewal of a license to produce,  
12 process, research, transport, or deliver marijuana, useable  
13 marijuana, marijuana concentrates, or marijuana-infused products  
14 subject to the regulations established under RCW 69.50.385, or sell  
15 marijuana, the state liquor and cannabis board must conduct a  
16 comprehensive, fair, and impartial evaluation of the applications  
17 timely received.

18 (a) The state liquor and cannabis board may cause an inspection  
19 of the premises to be made, and may inquire into all matters in  
20 connection with the construction and operation of the premises. For  
21 the purpose of reviewing any application for a license and for

1 considering the denial, suspension, revocation, or renewal or denial  
2 thereof, of any license, the state liquor and cannabis board may  
3 consider any prior criminal conduct of the applicant including an  
4 administrative violation history record with the state liquor and  
5 cannabis board and a criminal history record information check. The  
6 state liquor and cannabis board may submit the criminal history  
7 record information check to the Washington state patrol and to the  
8 identification division of the federal bureau of investigation in  
9 order that these agencies may search their records for prior arrests  
10 and convictions of the individual or individuals who filled out the  
11 forms. The state liquor and cannabis board must require  
12 fingerprinting of any applicant whose criminal history record  
13 information check is submitted to the federal bureau of  
14 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A  
15 RCW do not apply to these cases. Subject to the provisions of this  
16 section, the state liquor and cannabis board may, in its discretion,  
17 grant or deny the renewal or license applied for. Denial may be based  
18 on, without limitation, the existence of chronic illegal activity  
19 documented in objections submitted pursuant to subsections (7)(c) and  
20 (10) of this section. Authority to approve an uncontested or  
21 unopposed license may be granted by the state liquor and cannabis  
22 board to any staff member the board designates in writing. Conditions  
23 for granting this authority must be adopted by rule.

24 (b) No license of any kind may be issued to:

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

26 (ii) A person doing business as a sole proprietor who has not  
27 lawfully resided in the state for at least six months prior to  
28 applying to receive a license;

29 (iii) A partnership, employee cooperative, association, nonprofit  
30 corporation, or corporation unless formed under the laws of this  
31 state, and unless all of the members thereof are qualified to obtain  
32 a license as provided in this section; or

33 (iv) A person whose place of business is conducted by a manager  
34 or agent, unless the manager or agent possesses the same  
35 qualifications required of the licensee.

36 (2)(a) The state liquor and cannabis board may, in its  
37 discretion, subject to the provisions of RCW 69.50.334, suspend or  
38 cancel any license; and all protections of the licensee from criminal  
39 or civil sanctions under state law for producing, processing,  
40 researching, or selling marijuana, marijuana concentrates, useable

1 marijuana, or marijuana-infused products thereunder must be suspended  
2 or terminated, as the case may be.

3 (b) The state liquor and cannabis board must immediately suspend  
4 the license of a person who has been certified pursuant to RCW  
5 74.20A.320 by the department of social and health services as a  
6 person who is not in compliance with a support order. If the person  
7 has continued to meet all other requirements for reinstatement during  
8 the suspension, reissuance of the license is automatic upon the state  
9 liquor and cannabis board's receipt of a release issued by the  
10 department of social and health services stating that the licensee is  
11 in compliance with the order.

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

20 (d) Witnesses must be allowed fees and mileage each way to and  
21 from any inquiry, investigation, hearing, or proceeding at the rate  
22 authorized by RCW 34.05.446. Fees need not be paid in advance of  
23 appearance of witnesses to testify or to produce books, records, or  
24 other legal evidence.

25 (e) In case of disobedience of any person to comply with the  
26 order of the state liquor and cannabis board or a subpoena issued by  
27 the state liquor and cannabis board, or any of its members, or  
28 administrative law judges, or on the refusal of a witness to testify  
29 to any matter regarding which he or she may be lawfully interrogated,  
30 the judge of the superior court of the county in which the person  
31 resides, on application of any member of the board or administrative  
32 law judge, compels obedience by contempt proceedings, as in the case  
33 of disobedience of the requirements of a subpoena issued from said  
34 court or a refusal to testify therein.

35 (3) Upon receipt of notice of the suspension or cancellation of a  
36 license, the licensee must forthwith deliver up the license to the  
37 state liquor and cannabis board. Where the license has been suspended  
38 only, the state liquor and cannabis board must return the license to  
39 the licensee at the expiration or termination of the period of  
40 suspension. The state liquor and cannabis board must notify all other

1 licensees in the county where the subject licensee has its premises  
2 of the suspension or cancellation of the license; and no other  
3 licensee or employee of another licensee may allow or cause any  
4 marijuana, marijuana concentrates, useable marijuana, or marijuana-  
5 infused products to be delivered to or for any person at the premises  
6 of the subject licensee.

7 (4) Every license issued under this chapter is subject to all  
8 conditions and restrictions imposed by this chapter or by rules  
9 adopted by the state liquor and cannabis board to implement and  
10 enforce this chapter. All conditions and restrictions imposed by the  
11 state liquor and cannabis board in the issuance of an individual  
12 license must be listed on the face of the individual license along  
13 with the trade name, address, and expiration date.

14 (5) Every licensee must post and keep posted its license, or  
15 licenses, in a conspicuous place on the premises.

16 (6) No licensee may employ any person under the age of twenty-one  
17 years.

18 (7)(a) Before the state liquor and cannabis board issues a new or  
19 renewed license to an applicant it must give notice of the  
20 application to the chief executive officer of the incorporated city  
21 or town, if the application is for a license within an incorporated  
22 city or town, or to the county legislative authority, if the  
23 application is for a license outside the boundaries of incorporated  
24 cities or towns, or to the tribal government if the application is  
25 for a license within Indian country, or to the port authority if the  
26 application for a license is located on property owned by a port  
27 authority.

28 (b) The incorporated city or town through the official or  
29 employee selected by it, the county legislative authority or the  
30 official or employee selected by it, the tribal government, or port  
31 authority has the right to file with the state liquor and cannabis  
32 board within twenty days after the date of transmittal of the notice  
33 for applications, or at least thirty days prior to the expiration  
34 date for renewals, written objections against the applicant or  
35 against the premises for which the new or renewed license is asked.  
36 The state liquor and cannabis board may extend the time period for  
37 submitting written objections upon request from the authority  
38 notified by the state liquor and cannabis board.

39 (c) The written objections must include a statement of all facts  
40 upon which the objections are based, and in case written objections

1 are filed, the city or town or county legislative authority may  
2 request, and the state liquor and cannabis board may in its  
3 discretion hold, a hearing subject to the applicable provisions of  
4 Title 34 RCW. If the state liquor and cannabis board makes an initial  
5 decision to deny a license or renewal based on the written objections  
6 of an incorporated city or town or county legislative authority, the  
7 applicant may request a hearing subject to the applicable provisions  
8 of Title 34 RCW. If a hearing is held at the request of the  
9 applicant, state liquor and cannabis board representatives must  
10 present and defend the state liquor and cannabis board's initial  
11 decision to deny a license or renewal.

12 (d) Upon the granting of a license under this title the state  
13 liquor and cannabis board must send written notification to the chief  
14 executive officer of the incorporated city or town in which the  
15 license is granted, or to the county legislative authority if the  
16 license is granted outside the boundaries of incorporated cities or  
17 towns.

18 (8)(a) Except as provided in (~~(b) through (d)~~) (c) through (e)  
19 of this subsection, the state liquor and cannabis board may not issue  
20 a license for any premises within one thousand feet of the perimeter  
21 of the grounds of any:

22 (i) Preschool, elementary school, or secondary school((τ));

23 (ii) Playground, whether such playground is owned or managed by a  
24 governmental entity, private entity, or person;

25 (iii) School bus stop;

26 (iv) Recreation center or facility((τ));

27 (v) Child care center, including a preschool or other facility  
28 that regularly provides child day care or early learning services for  
29 a group of children for periods of less than twenty-four hours,  
30 whether or not the child care center is required to be licensed by  
31 the department of early learning under chapter 43.216 RCW;

32 (vi) Public park((τ));

33 (vii) Public transit center((τ-☒));

34 (viii) Library((τ)); or

35 (ix) Any game arcade admission to which is not restricted to  
36 persons aged twenty-one years or older.

37 (b) The state liquor and cannabis board may not issue or renew a  
38 license for any premises that is located within one thousand feet of  
39 the perimeter of the grounds of any preschool, elementary school,  
40 secondary school, school bus stop, playground, or child care center

1 described in (a)(i), (ii), (iii), or (v) of this subsection. This  
2 subsection (8)(b) applies to a license issued before, on, or after  
3 the effective date of this section.

4 (c) A city, county, or town may permit the licensing of premises  
5 within one thousand feet but not less than one hundred feet of the  
6 facilities described in (a) of this subsection, except preschools,  
7 elementary schools, secondary schools, school bus stops, child care  
8 centers, and playgrounds, by enacting an ordinance authorizing such  
9 distance reduction, provided that such distance reduction will not  
10 negatively impact the jurisdiction's civil regulatory enforcement,  
11 criminal law enforcement interests, public safety, or public health.

12 ~~((e))~~ (d) A city, county, or town may permit the licensing of  
13 research premises allowed under RCW 69.50.372 within one thousand  
14 feet but not less than one hundred feet of the facilities described  
15 in (a) of this subsection by enacting an ordinance authorizing such  
16 distance reduction, provided that the ordinance will not negatively  
17 impact the jurisdiction's civil regulatory enforcement, criminal law  
18 enforcement, public safety, or public health.

19 ~~((d))~~ (e) The state liquor and cannabis board may license  
20 premises located in compliance with the distance requirements set in  
21 an ordinance adopted under ~~((b) or)~~ (c) or (d) of this subsection.  
22 Before issuing or renewing a research license for premises within one  
23 thousand feet but not less than one hundred feet of ~~((a))~~ a  
24 preschool, elementary school, secondary school, school bus stop,  
25 child care center, or playground in compliance with an ordinance  
26 passed pursuant to ~~((e))~~ (d) of this subsection, the board must  
27 ensure that the facility:

28 (i) Meets a security standard exceeding that which applies to  
29 marijuana producer, processor, or retailer licensees;

30 (ii) Is inaccessible to the public and no part of the operation  
31 of the facility is in view of the general public; and

32 (iii) Bears no advertising or signage indicating that it is a  
33 marijuana research facility.

34 ~~((e))~~ (f) The state liquor and cannabis board may not issue a  
35 license for any premises within Indian country, as defined in 18  
36 U.S.C. Sec. 1151, including any fee patent lands within the exterior  
37 boundaries of a reservation, without the consent of the federally  
38 recognized tribe associated with the reservation or Indian country.

39 (9) A city, town, or county may adopt an ordinance prohibiting a  
40 marijuana producer or marijuana processor from operating or locating

1 a business within areas zoned primarily for residential use or rural  
2 use with a minimum lot size of five acres or smaller.

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

23 **Sec. 2.** RCW 69.50.369 and 2017 c 317 s 14 are each amended to  
24 read as follows:

25 (1) No licensed marijuana producer, processor, researcher, or  
26 retailer may place or maintain, or cause to be placed or maintained,  
27 any sign or other advertisement for a marijuana business or marijuana  
28 product, including useable marijuana, marijuana concentrates, or  
29 marijuana-infused product, in any form or through any medium  
30 whatsoever within one thousand feet of the perimeter of a school  
31 grounds, playground as described in RCW 69.50.331(8)(a)(ii), school  
32 bus stop, recreation center or facility, child care center as  
33 described in RCW 69.50.331(8)(a)(v), public park, or library, or any  
34 game arcade admission to which is not restricted to persons aged  
35 twenty-one years or older.

36 (2) Except for the use of billboards as authorized under this  
37 section, licensed marijuana retailers may not display any signage  
38 outside of the licensed premises, other than two signs identifying  
39 the retail outlet by the licensee's business or trade name, stating

1 the location of the business, and identifying the nature of the  
2 business. Each sign must be no larger than one thousand six hundred  
3 square inches and be permanently affixed to a building or other  
4 structure. The location and content of the retail marijuana signs  
5 authorized under this subsection are subject to all other  
6 requirements and restrictions established in this section for indoor  
7 signs, outdoor signs, and other marijuana-related advertising  
8 methods.

9 (3) A marijuana licensee may not utilize transit advertisements  
10 for the purpose of advertising its business or product line. "Transit  
11 advertisements" means advertising on or within private or public  
12 vehicles and all advertisements placed at, on, or within any bus  
13 stop, taxi stand, transportation waiting area, train station,  
14 airport, or any similar transit-related location.

15 (4) A marijuana licensee may not engage in advertising or other  
16 marketing practice that specifically targets persons residing outside  
17 of the state of Washington.

18 (5) All signs, billboards, or other print advertising for  
19 marijuana businesses or marijuana products must contain text stating  
20 that marijuana products may be purchased or possessed only by persons  
21 twenty-one years of age or older.

22 (6) A marijuana licensee may not:

23 (a) Take any action, directly or indirectly, to target youth in  
24 the advertising, promotion, or marketing of marijuana and marijuana  
25 products, or take any action the primary purpose of which is to  
26 initiate, maintain, or increase the incidence of youth use of  
27 marijuana or marijuana products;

28 (b) Use objects such as toys or inflatables, movie or cartoon  
29 characters, or any other depiction or image likely to be appealing to  
30 youth, where such objects, images, or depictions indicate an intent  
31 to cause youth to become interested in the purchase or consumption of  
32 marijuana products; or

33 (c) Use or employ a commercial mascot outside of, and in  
34 proximity to, a licensed marijuana business. A "commercial mascot"  
35 means live human being, animal, or mechanical device used for  
36 attracting the attention of motorists and passersby so as to make  
37 them aware of marijuana products or the presence of a marijuana  
38 business. Commercial mascots include, but are not limited to,  
39 inflatable tube displays, persons in costume, or wearing, holding, or  
40 spinning a sign with a marijuana-related commercial message or image,



1 where the intent is to draw attention to a marijuana business or its  
2 products.

3 (7) A marijuana licensee that engages in outdoor advertising is  
4 subject to the advertising requirements and restrictions set forth in  
5 this subsection (7) and elsewhere in this chapter.

6 (a) All outdoor advertising signs, including billboards, are  
7 limited to text that identifies the retail outlet by the licensee's  
8 business or trade name, states the location of the business, and  
9 identifies the type or nature of the business. Such signs may not  
10 contain any depictions of marijuana plants, marijuana products, or  
11 images that might be appealing to children. The state liquor and  
12 cannabis board is granted rule-making authority to regulate the text  
13 and images that are permissible on outdoor advertising. Such rule  
14 making must be consistent with other administrative rules generally  
15 applicable to the advertising of marijuana businesses and products.

16 (b) Outdoor advertising is prohibited:

17 (i) On signs and placards in arenas, stadiums, shopping malls,  
18 fairs that receive state allocations, farmers markets, and video game  
19 arcades, whether any of the foregoing are open air or enclosed, but  
20 not including any such sign or placard located in an adult only  
21 facility; and

22 (ii) Billboards that are visible from any street, road, highway,  
23 right-of-way, or public parking area are prohibited, except as  
24 provided in (c) of this subsection.

25 (c) Licensed retail outlets may use a billboard or outdoor sign  
26 solely for the purpose of identifying the name of the business, the  
27 nature of the business, and providing the public with directional  
28 information to the licensed retail outlet. Billboard advertising is  
29 subject to the same requirements and restrictions as set forth in (a)  
30 of this subsection.

31 (d) Advertising signs within the premises of a retail marijuana  
32 business outlet that are visible to the public from outside the  
33 premises must meet the signage regulations and requirements  
34 applicable to outdoor signs as set forth in this section.

35 (e) The restrictions and regulations applicable to outdoor  
36 advertising under this section are not applicable to:

37 (i) An advertisement inside a licensed retail establishment that  
38 sells marijuana products that is not placed on the inside surface of  
39 a window facing outward; or

1 (ii) An outdoor advertisement at the site of an event to be held  
2 at an adult only facility that is placed at such site during the  
3 period the facility or enclosed area constitutes an adult only  
4 facility, but in no event more than fourteen days before the event,  
5 and that does not advertise any marijuana product other than by using  
6 a brand name to identify the event.

7 (8) Merchandising within a retail outlet is not advertising for  
8 the purposes of this section.

9 (9) This section does not apply to a noncommercial message.

10 (10)(a) The state liquor and cannabis board must:

11 (i) Adopt rules implementing this section and specifically  
12 including provisions regulating the billboards and outdoor signs  
13 authorized under this section; and

14 (ii) Fine a licensee one thousand dollars for each violation of  
15 this section until the state liquor and cannabis board adopts rules  
16 prescribing penalties for violations of this section. The rules must  
17 establish escalating penalties including fines and up to suspension  
18 or revocation of a marijuana license for subsequent violations.

19 (b) Fines collected under this subsection must be deposited into  
20 the dedicated marijuana account created under RCW 69.50.530.

21 (11) A city, town, or county may adopt rules of outdoor  
22 advertising by licensed marijuana retailers that are more restrictive  
23 than the advertising restrictions imposed under this chapter.  
24 Enforcement of restrictions to advertising by a city, town, or county  
25 is the responsibility of the city, town, or county.

26 **Sec. 3.** RCW 69.50.580 and 2015 2nd sp.s. c 4 s 801 are each  
27 amended to read as follows:

28 (1) Applicants for a marijuana producer's, marijuana processor's,  
29 marijuana researcher's or marijuana retailer's license under this  
30 chapter must display a sign provided by the state liquor and cannabis  
31 board on the outside of the premises to be licensed notifying the  
32 public that the premises are subject to an application for such  
33 license. The sign must:

34 (a) Contain text with content sufficient to notify the public of  
35 the nature of the pending license application, the date of the  
36 application, the name of the applicant, and contact information for  
37 the state liquor and cannabis board;

1 (b) Be conspicuously displayed on, or immediately adjacent to,  
2 the premises subject to the application and in the location that is  
3 most likely to be seen by the public;

4 (c) Be of a size sufficient to ensure that it will be readily  
5 seen by the public; and

6 (d) Be posted within seven business days of the submission of the  
7 application to the state liquor and cannabis board.

8 (2) The state liquor and cannabis board must adopt such rules as  
9 are necessary for the implementation of this section, including rules  
10 pertaining to the size of the sign and the text thereon, the textual  
11 content of the sign, the fee for providing the sign, and any other  
12 requirements necessary to ensure that the sign provides adequate  
13 notice to the public.

14 (3)(a) A city, town, or county may adopt an ordinance requiring  
15 individual notice by an applicant for a marijuana producer's,  
16 marijuana processor's, marijuana researcher's, or marijuana  
17 retailer's license under this chapter, sixty days prior to issuance  
18 of the license, to any preschool, elementary ((~~o~~)) school, secondary  
19 school, school bus stop, playground as described in RCW  
20 69.50.331(8)(a)(ii), recreation center or facility, child care center  
21 as described in RCW 69.50.331(8)(a)(v), church, public park, public  
22 transit center, library, or any game arcade admission to which is not  
23 restricted to persons aged twenty-one years or older, that is within  
24 one thousand feet of the perimeter of the grounds of the  
25 establishment seeking licensure. The notice must provide the contact  
26 information for the liquor and cannabis board where any of the owners  
27 or operators of these entities may submit comments or concerns about  
28 the proposed business location.

29 (b) For the purposes of this subsection, "church" means a  
30 building erected for and used exclusively for religious worship and  
31 schooling or other activity in connection therewith.

32 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
33 preservation of the public peace, health, or safety, or support of  
34 the state government and its existing public institutions, and takes  
35 effect immediately.

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