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**HOUSE BILL 1933**

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**State of Washington 67th Legislature 2022 Regular Session**

**By** Representatives Wicks, Eslick, and Pollet

AN ACT Relating to authorizing smaller local governments with a scarcity of manufacturing and industrial lands to establish a tax on cannabis producers and processors; and adding a new chapter to Title 82 RCW.

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

NEW SECTION. **Sec.**  (1) The governing body of a county, city, or town with a scarcity of manufacturing and industrial lands, as described in subsection (2)(c) of this section, may by resolution or ordinance impose an excise tax on marijuana producers and processors licensed pursuant to RCW 69.50.325. The tax may be imposed on producers and processors operating within their jurisdiction. The excise tax rate must be equivalent to one percent, or less, of the marijuana producer, processor, or producer and processor's gross receipts from sales of marijuana and marijuana products authorized in chapter 69.50 RCW.

(2) Only counties, cities, and towns that meet the requirements of (a) through (c) of this subsection may establish a tax pursuant to this section:

(a) For a county, city, or town seeking to establish a tax pursuant to this section, the population of the county, city, or town must be no more than 50,000 based on the most recent published estimates of the office of financial management as of January 1, 2022.

(b) The county, city, or town's zoning or land use ordinances must permit licensed marijuana producers and processors operating in accordance with chapter 69.50 RCW to be sited and operate within the jurisdiction.

(c) The county, city, or town must have a scarcity of manufacturing and industrial lands evidenced by the county, city, or town demonstrating that it meets at least one of the following criteria:

(i) No area within the county, city, or town is designated as a manufacturing and industrial center or employment center by a regional planning authority;

(ii) Reviews or evaluations conducted pursuant to RCW 36.70A.215 indicate the amount of industrial land in the jurisdiction is in the bottom quartile with respect to the amount of industrial land in all jurisdictions for which data obtained in accordance with RCW 36.70A.215 is available; or

(iii) The percentage of total employment within the county, city, or town classified as industrial employment is no greater than 20 percent of total employment.

(3) A county ordinance authorized under this section does not apply to marijuana producers and processors located within an incorporated city or town within the county.

(4) For purposes of this section, "industrial employment" means jobs in the industrial sector of the economy primarily including, construction, manufacturing, resource industries, transportation, utilities, warehousing, and wholesale trade.

NEW SECTION. **Sec.**  Section 1 of this act constitutes a new chapter in Title 82 RCW.

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