
ENGROSSED SENATE BILL 5363

State of Washington

68th Legislature

2023 Regular Session

By Senators MacEwen and Stanford

Read first time 01/13/23. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to cannabis retailer advertising; and amending
2 RCW 69.50.369.

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

4 **Sec. 1.** RCW 69.50.369 and 2022 c 16 s 75 are each amended to
5 read as follows:

6 (1) No licensed cannabis producer, processor, researcher, or
7 retailer may place or maintain, or cause to be placed or maintained,
8 any sign or other advertisement for a cannabis business or cannabis
9 product, including useable cannabis, cannabis concentrates, or
10 cannabis-infused product, in any form or through any medium
11 whatsoever within one thousand feet of the perimeter of a school
12 grounds, playground, recreation center or facility, child care
13 center, public park, or library, or any game arcade admission (~~to~~
14 ~~which is not restricted to persons aged twenty-one years or older~~)
15 that allows admittance of persons under the age of 21.

16 (2) (a) Except for the use of trade name signs and billboards as
17 authorized under this section, licensed cannabis retailers may not
18 display any cannabis-related advertising signage outside of the
19 licensed premises, other than (~~two signs identifying the retail~~
20 ~~outlet by the licensee's business or trade name, stating the location~~

1 ~~of the business, and identifying the nature of the business))~~ four
2 signs.

3 (b) Each advertisement sign must be no larger than one thousand
4 six hundred square inches and be ((permanently affixed to a building
5 or other structure)):

6 (i) Affixed on the building of the licensed location; or

7 (ii) Hanging in the windows of the licensed location.

8 (c) Any advertising signs that are visible to the public from the
9 public right-of-way, whether on the building or through a window of
10 the building, will be considered advertising for the purposes of this
11 section.

12 (d) Signs that are less than 512 square inches are not considered
13 advertising for purposes of this section if the sign does not include
14 any brand names, trade names, or images of any cannabis product and
15 only indicates information including, but not limited to:

16 (i) Hours of operation;

17 (ii) Whether the business is open or closed;

18 (iii) The presence of an ATM machine;

19 (iv) The word "welcome";

20 (v) Required signs or notices; and

21 (vi) Community notices.

22 (3) (a) In addition to the four signs described in subsection (2)
23 of this section, licensed businesses may use separate trade name
24 signs.

25 (b) Trade name signs must comply with local authority regulations
26 related to the size and number of signs for the city, town, or county
27 in which the licensed cannabis retailer is located. The enforcement
28 of the size and number of trade name signs and billboards is the
29 responsibility of the city, town, or county in which the licensed
30 cannabis retailer is located.

31 (c) Trade name signs may only reflect the trade name of the
32 licensed business and may not contain cannabis products or product
33 brand names.

34 (4) All signage, advertising, and billboard content is prohibited
35 if the content portrays:

36 (a) Alcohol or its use;

37 (b) Tobacco or nicotine or its use; or

38 (c) Any association with a motor vehicle or operation of a motor
39 vehicle.

1 (5) Any cannabis-related advertising in any business licensed by
2 the board under Title 66 RCW or chapter 70.345, 82.24, or 82.26 RCW
3 is prohibited.

4 (6) The location and content of the retail cannabis signs
5 authorized under ((this)) subsection (2) of this section are subject
6 to all other requirements and restrictions established in this
7 section for indoor signs, outdoor signs, and other cannabis-related
8 advertising methods.

9 ~~((3))~~ (7) Nothing in this section prohibits the use of other
10 signage that does not represent cannabis or cannabis products, the
11 business trade name, nature of the business, or contains only general
12 information not related to the products or services of the cannabis
13 business.

14 (8) A cannabis licensee may not utilize transit advertisements
15 for the purpose of advertising its business or product line.
16 ~~("Transit advertisements" means advertising on or within private or~~
17 ~~public vehicles and all advertisements placed at, on, or within any~~
18 ~~bus stop, taxi stand, transportation waiting area, train station,~~
19 ~~airport, or any similar transit-related location.~~

20 ~~(4))~~ (9) A cannabis licensee may not engage in advertising or
21 other marketing practice that specifically targets persons residing
22 outside of the state of Washington.

23 ~~((5) All signs, billboards, or other print advertising))~~ (10)
24 Any advertisement for a cannabis ((businesses)) business or cannabis
25 products, regardless of the form of medium used, must contain text
26 ~~((stating that cannabis products may be purchased or possessed only~~
27 ~~by persons twenty-one))~~ indicating that only persons 21 years of age
28 or older may purchase or possess cannabis products. The text must be
29 of a reasonable size to be easily read by consumers. This subsection
30 does not apply to trade name signs.

31 ~~((6))~~ (11) A cannabis licensee may not:

32 (a) Take any action, directly or indirectly, to target youth in
33 the advertising, promotion, or marketing of cannabis and cannabis
34 products, or take any action the primary purpose of which is to
35 initiate, maintain, or increase the incidence of youth use of
36 cannabis or cannabis products;

37 (b) Use objects such as toys or inflatables, movie or cartoon
38 characters, or any other depiction or image likely to be appealing to
39 ~~((youth))~~ persons under 21 years of age, where such objects, images,

1 or depictions indicate an intent to cause youth to become interested
2 in the purchase or consumption of cannabis products; ((~~or~~))

3 (c) Use or employ a commercial mascot outside of, and in
4 proximity to, a licensed cannabis business(~~(. A "commercial mascot"~~
5 ~~means live human being, animal, or mechanical device used for~~
6 ~~attracting the attention of motorists and passersby so as to make~~
7 ~~them aware of cannabis products or the presence of a cannabis~~
8 ~~business. Commercial mascots include, but are not limited to,~~
9 ~~inflatable tube displays, persons in costume, or wearing, holding, or~~
10 ~~spinning a sign with a cannabis-related commercial message or image,~~
11 ~~where the intent is to draw attention to a cannabis business or its~~
12 ~~products.~~

13 ~~(7))~~; or

14 (d) Advertise, offer for sale, or sell cannabis at less than
15 acquisition cost. This subsection does not apply to any sales made
16 for a product designated for medical cannabis use by qualifying
17 patients as defined in RCW 69.51A.010.

18 (12) A cannabis licensee that engages in outdoor advertising is
19 subject to the advertising requirements and restrictions set forth in
20 this subsection (~~(7))~~) and elsewhere in this chapter.

21 (a) All outdoor advertising signs, including billboards, are
22 limited to text that identifies the retail outlet by the licensee's
23 business or trade name, states the location of the business, and
24 identifies the type or nature of the business. Such signs may not
25 contain any depictions of cannabis plants, cannabis products, or
26 images that might be appealing to children. The board is granted
27 rule-making authority to regulate the text and images that are
28 permissible on outdoor advertising. Such rule making must be
29 consistent with other administrative rules generally applicable to
30 the advertising of cannabis businesses and products.

31 (b) Outdoor advertising is prohibited:

32 (i) On signs and placards in arenas, stadiums, shopping malls,
33 fairs that receive state allocations, farmers markets, and video game
34 arcades, whether any of the foregoing are open air or enclosed, but
35 not including any such sign or placard located in (~~(an adult only~~
36 ~~facility)) an age-restricted area classified by the board as off-
37 limits to persons under 21 years of age; and~~

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

1 (c) Licensed retail outlets may use a billboard or outdoor sign
2 solely for the purpose of identifying the name of the business, the
3 nature of the business, and providing the public with directional
4 information to the licensed retail outlet. Billboard advertising is
5 subject to the same requirements and restrictions as set forth in (a)
6 of this subsection.

7 (d) Advertising signs within the premises of a retail cannabis
8 business outlet that are clearly visible to the public from outside
9 the premises must meet the signage regulations and requirements
10 applicable to outdoor signs as set forth in this section.

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

13 (i) An advertisement inside a licensed retail establishment that
14 sells cannabis products that is not placed on the inside surface of a
15 window facing outward; or

16 (ii) An outdoor advertisement at the site of an event to be held
17 (~~(at an adult only facility)~~) in an area classified by the board as
18 off-limits to persons under 21 years of age that is placed at such
19 site during the period the facility or enclosed area (~~(constitutes an~~
20 ~~adult only facility)~~) is classified as age-restricted by the board,
21 but in no event more than fourteen days before the event, and that
22 does not advertise any cannabis product other than by using a brand
23 name to identify the event.

24 (~~((8) Merchandising)~~) (13) Placement of products within a retail
25 outlet is not advertising for the purposes of this section.

26 (~~((9))~~) (14) This section does not apply to ~~((a))~~:

27 (a) Adopt-a-highway signs erected by the Washington state
28 department of transportation under a valid sponsorship with the
29 department of transportation; or

30 (b) A noncommercial message.

31 (~~((10))~~) (15)(a) The board must:

32 (i) Adopt rules implementing this section and specifically
33 including provisions regulating the billboards and outdoor signs
34 authorized under this section; and

35 (ii) Fine a licensee one thousand dollars for each violation of
36 this section until the board adopts rules prescribing penalties for
37 violations of this section. The rules must establish escalating
38 penalties including fines and up to suspension or revocation of a
39 cannabis license for subsequent violations.

1 (b) Fines collected under this subsection must be deposited into
2 the dedicated cannabis account created under RCW 69.50.530.

3 ~~((11))~~ (16) A city, town, or county may adopt rules of outdoor
4 advertising by licensed cannabis retailers that are more restrictive
5 than the advertising restrictions imposed under this chapter.
6 Enforcement of restrictions to advertising by a city, town, or county
7 is the responsibility of the city, town, or county.

8 (17) The definitions in this subsection apply throughout this
9 section unless the context clearly requires otherwise.

10 (a) "Commercial mascot" means a live human being, animal, or
11 mechanical device used for attracting the attention of motorists and
12 passersby so as to make them aware of cannabis products or the
13 presence of a cannabis business. Commercial mascots include, but are
14 not limited to, inflatable tube displays, persons in costume, or
15 wearing, holding, or spinning a sign with a cannabis-related
16 commercial message or image, where the intent is to draw attention to
17 a cannabis business or its products.

18 (b) "Trade name" means the name as it appears on the license
19 issued to the licensee.

20 (c) "Transit advertisements" means advertising on or within
21 private or public vehicles and all advertisements placed at, on, or
22 within any bus stop, taxi stand, transportation waiting area, train
23 station, airport, or any similar transit-related location.

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