5887-S3.E AMH NEAL RUBE 036

**E3SSB 5887** - H AMD TO H AMD (5887-S3.E AMH CODY BLAC 155) **989**

By Representative Nealey

On page 23, after line 32 of the striking amendment, insert the following:

"NEW SECTION. **Sec. 20.** (1) A state cannabis industry coordinating committee is established, with members as provided in this subsection.

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

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

(c) The governor shall appoint members representing the following state agencies:

(i) The liquor control board;

(ii) The department of health;

(iii) The department of commerce;

(iv) The department of revenue;

(v) The office of the treasurer;

(vi) The department of agriculture;

(vii) The department of financial institutions; and

(viii) The Washington state patrol.

(d) The governor shall appoint seven members representing medical marijuana patients as follows:

(i) A health care professional with experience authorizing qualifying patients for the medical use of marijuana;

(ii) Two qualifying patients or their designated providers;

(iii) A medical marijuana advocate;

(iv) A medical marijuana producer;

(v) A medical marijuana processor; and

(vi) A medical marijuana retailer or a person with experience providing marijuana to or consulting with qualifying patients.

(e) One representative each from the association of Washington cities and the Washington state association of counties.

(f) The governor shall appoint up to nine industry stakeholders representing established and emerging markets for the use of cannabis including, but not limited to, the various commercial uses of industrial hemp, food processing, farmers' markets, tourism, banking, and other uses that may be relevant.

(2) The committee must appoint its cochairs, one of which shall be from among its legislative membership. The committee shall make rules for orderly procedure and, in addition to the subcommittee required in subsection (3) of this section, the committee may form subcommittees to accomplish its work.

(3) The committee shall appoint a medical marijuana subcommittee for the purpose of reviewing and making recommendations on the following issues:

(a) Whether RCW 69.50.331(8) prevents the siting of marijuana retailers who hold medical marijuana endorsements and what may be done to assist the state and local governments in siting these retail outlets;

(b) Whether there is a need for retail outlets that are licensed to only sell medical marijuana to qualifying patients or designated providers;

(c) Whether a marijuana producer or marijuana processor endorsement should be established to permit a producer or processor to sell directly to qualifying patients and designated providers and whether these licensees are producing marijuana concentrates, useable marijuana, and marijuana-infused products that are meeting the needs of medical marijuana patients;

(d) Whether posttraumatic stress disorder should be added to terminal or debilitating medical conditions that qualify a person for the medical use of marijuana;

(e) Whether a different method of taxation should be established for those products designated by the liquor control board as being beneficial for qualifying patients and designated providers. This includes whether these products should be taxed at a different rate than products intended for nonmedical use or whether they should be provided with tax exemptions;

(f) Options for funding the medical marijuana registry; and

(g) Any other matters pertinent to promoting access to safe and affordable marijuana for medical use by qualifying patients.

(4) The committee has the following powers and duties:

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

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

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

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

(e) Making recommendations for a statewide cannabis industry coordinator;

(f) Recommending options for the distribution of tax revenue from the sale of marijuana; and

(g) Making recommendations specific to the medical use of marijuana as described in subsection (3) of this section.

(5) The committee shall provide specific preliminary recommendations to the appropriate committees of the legislature by December 15, 2014, and a final report by January 10, 2016.

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

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

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

(9) Meetings of the committee are subject to the open public meetings act, chapter 42.30 RCW.

(10) This section expires January 31, 2016."

Renumber the remaining sections and correct any internal references accordingly.

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|  | EFFECT:   Establishes the State Cannabis Industry Coordinating Committee (Committee) which includes legislators, Executive Branch representatives, medical marijuana patient representatives, local government representatives, and industry stakeholders. Directs the Committee to make recommendations for a state plan for coordinating the cannabis industry, creating a financial system for the marijuana marketplace, monitoring economic returns, monitoring federal law, creating a cannabis industry coordinator, distributing tax revenue, and considering other options for medical marijuana.  Directs the Committee to appoint a medical marijuana subcommittee to study issues related to marijuana retailers, producers, and processors; the addition of posttraumatic stress disorder as a recognized condition; taxation; and funding of the medical marijuana registry.  Requires the Committee to report to the Legislature by December 15, 2014 and January 10, 2016. |

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