

SENATE BILL REPORT

SB 5450

As of April 6, 2015

Title: An act relating to expanding the restrictions on locating marijuana businesses.

Brief Description: Expanding the restrictions on locating marijuana businesses.

Sponsors: Senator O'Ban.

Brief History:

Committee Activity: Commerce & Labor: 1/30/15, 2/11/15 [DPA, w/oRec].
Ways & Means: 4/06/15.

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; King and Warnick.

Minority Report: That it be referred without recommendation.

Signed by Senators Hasegawa, Ranking Minority Member; Conway and Keiser.

Staff: Richard Rodger (786-7461)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Dean Carlson (786-7305)

Background: The passage of Initiative 502 (I-502) legalized the recreational use of marijuana and created a comprehensive scheme for the licensing and regulation of marijuana production and distribution. The Liquor Control Board (LCB) is the lead agency for the regulation of marijuana businesses.

I-502 created three categories of marijuana licenses: (1) the marijuana producer's license entitles the holder to produce marijuana for sale at wholesale to licensed marijuana processors or other producers; (2) the marijuana processor's license entitles the holder to process, package, and label marijuana for sale at wholesale to marijuana retailers; and (3) the marijuana retailer's license entitles the holder to sell marijuana products at retail prices in retail outlets.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

LCB may not issue any of the three licenses for any premises located within 1000 feet of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade which is open to persons under age 21.

Summary of Bill (Recommended Amendments): In addition to the existing limitations, LCB may not issue a marijuana producer, processor, or retailer license for any premises located within 1000 feet of the following: (1) licensed chemical dependency program; (2) church; or (3) other location where children regularly congregate.

Local governments may adopt ordinances to prohibit marijuana licensees from locating their businesses within 1000 feet of businesses that sell at least 50 percent of their merchandise that is marketed to or intended for children.

The act applies prospectively to new licenses issued after the date of enactment and applies to the renewal of existing licenses.

EFFECT OF CHANGES MADE BY COMMERCE & LABOR COMMITTEE (Recommended Amendments): Allows local governments to adopt zoning ordinances prohibiting marijuana businesses from being located near toy stores.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Commerce & Labor): PRO: I support the additional zoning restrictions around churches, as the location of these businesses near churches has a strong impact on our youth. The youth walk by these businesses on their way to our church. Our youth have questions about why these businesses are allowed here, when prohibited by federal law. Because there was no limitation on the siting of marijuana businesses near churches, like there is for alcohol establishments, we were not notified by LCB, nor given the right to comment. This bill should be expanded to cover marijuana businesses located near any youth facility. This bill will protect children from the exposure to marijuana.

CON: This bill deals with local zoning issues that should be left with local governments. Local governments already use an open, public process when setting their own zoning restrictions. The restriction on locating businesses near where children congregate is too vague. Marijuana businesses prohibit those under age 21 from entering their businesses and all use professional security. The marijuana businesses run discrete operations with limited signage. It was the will of the voters to allow legal, safe, and secure marijuana business. It is already too difficult under the existing zoning restrictions to locate a legal business. The bill gives too much leeway to churches that might locate next to an existing licensed business. This bill nullifies the marijuana initiative.

OTHER: Liquor businesses are not allowed within 500 feet of a school. There is no ban on liquor establishments near churches, but the churches are notified of the application for the business, and given a right to comment. We are concerned about the retrospective aspect of this bill on renewal of licenses for existing licensed marijuana businesses.

Persons Testifying (Commerce & Labor): PRO: Reggie Witherspoon, Mount Calvary Christian Church; Derek Franklin, WA Assn. for Substance Abuse and Violence Prevention, President.

CON: Vicki Christophersen, WA CannaBusiness Assn.; Ian Eisenberg, Uncle Ikes; Ezra Eickmeyer, P&E Consulting; Shawn Wagenseller, R5 Cooperative; Jedidiah Haney, CAUSE-M; Mark Childs, Danielle Rosellison, citizens.

OTHER: Rick Garza, LCB.

Staff Summary of Public Testimony (Ways & Means): CON: These businesses are highly regulated and taxed and they don't sell to children. It is the black and grey markets that sell marijuana to children. We have never sold marijuana to children. On our block there used to be drug dealers who sold to anyone. Since we moved in, the drug dealers have left. This would be difficult for our examiners and enforcement officers to administer. We feel that these regulations are too restrictive to support an effective market.

Persons Testifying (Ways & Means): CON: Vicki Christophersen, WA CannaBusiness Assn.; Ian Eisenberg, Uncle Ikes; James Paribello, LCB.

Persons Signed in to Testify But Not Testifying: No one.