HOUSE BILL 2000

State of Washington 64th Legislature 2015 Regular Session

By Representatives Hurst, Condotta, and Tarleton

Read first time 02/05/15. Referred to Committee on Commerce & Gaming.

- AN ACT Relating to authorizing the governor to enter into agreements with federally recognized Indian tribes in the state of Washington concerning marijuana; amending RCW 69.50.360, 69.50.363, and 69.50.366; adding new sections to chapter 43.06 RCW; adding a new section to chapter 69.50 RCW; adding a new section to chapter 82.08 RCW; and adding a new section to chapter 82.12 RCW.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 43.06 9 RCW to read as follows:
- 10 The legislature intends to further the government-to-government 11 relationship between the state of Washington and federally recognized 12 Indian tribes in the state of Washington by authorizing the governor 13 to enter into agreements concerning the regulation of marijuana. Such 14 include provisions pertaining to: The lawful agreements may commercial production, processing, sale, and possession of marijuana 15 16 recreational and medical purposes; marijuana-related 17 research activities; law enforcement, both criminal and civil; and taxation. The legislature finds that these agreements will facilitate 18 19 promote a cooperative and mutually beneficial relationship 20 between the state and the tribes regarding matters relating to the 21 legalization of marijuana, particularly in light of the fact that

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- 1 federal Indian law precludes the state from enforcing its civil
- 2 regulatory laws in Indian country. Such cooperative agreements will
- 3 enhance public health and safety, ensure a lawful and well-regulated
- 4 marijuana market, encourage economic development, and provide fiscal
- 5 benefits to both the tribes and the state.
- 6 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.06 7 RCW to read as follows:
 - (1) The governor may enter into agreements with federally recognized Indian tribes concerning marijuana. Marijuana agreements may address any marijuana-related issue that involves both state and tribal interests or otherwise has an impact on tribal-state relations. Such agreements may include, but are not limited to, the following provisions and subject matter:
 - (a) Criminal and civil law enforcement;
- 15 (b) Regulatory issues related to the commercial production, 16 processing, sale, and possession of marijuana, and processed 17 marijuana products, for both recreational and medical purposes;
 - (c) Medical and pharmaceutical research involving marijuana;
- 19 (d) Taxation;

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- 20 (e) Any tribal immunities or preemption of state law regarding 21 the production, processing, or marketing of marijuana; and
- 22 (f) Dispute resolution, including the use of mediation or other 23 nonjudicial process.
 - (2) Any marijuana agreement relating to the production, processing, and sale of marijuana in Indian country, whether for recreational or medical purposes, must address the following issues:
 - (a) Preservation of public health and safety;
- 28 (b) Ensuring the security of production, processing, retail, and 29 research facilities; and
 - (c) Cross-border commerce in marijuana.
- 31 (3) The governor may delegate the power to negotiate marijuana 32 agreements to the state liquor control board. In conducting such 33 negotiations, the state liquor control board must, when necessary, 34 consult with the governor and/or the department of revenue.
- 35 (4) The definitions in this subsection apply throughout this 36 section unless the context clearly requires otherwise.
- 37 (a) "Indian country" has the same meaning as in RCW 82.24.010.

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- 1 (b) "Indian tribe" or "tribe" means a federally recognized Indian 2 tribe located within the geographical boundaries of the state of 3 Washington.
- 4 (c) "Marijuana" means "marijuana," "marijuana concentrates,"
 5 "marijuana-infused products," and "useable marijuana," as those terms
 6 are defined in RCW 69.50.101.
- NEW SECTION. Sec. 3. A new section is added to chapter 69.50 RCW to read as follows:
- The taxes, fees, assessments, and other charges imposed by this chapter do not apply to commercial activities related to the production, processing, sale, and possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products covered by an agreement entered into under section 2 of this act.
- NEW SECTION. **Sec. 4.** A new section is added to chapter 82.08 RCW to read as follows:
- The taxes imposed by this chapter do not apply to the retail sale of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products covered by an agreement entered into under section 2 of this act. "Marijuana," "useable marijuana," "marijuana concentrates," and "marijuana-infused products" have the same meaning as defined in RCW 69.50.101.
- NEW SECTION. Sec. 5. A new section is added to chapter 82.12 RCW to read as follows:
- The taxes imposed by this chapter do not apply to the use of marijuana, useable marijuana, marijuana concentrates, and marijuanainfused products covered by an agreement entered into under section 2 of this act. "Marijuana," "useable marijuana," "marijuana concentrates," and "marijuana-infused products" have the same meaning as defined in RCW 69.50.101.
- 30 **Sec. 6.** RCW 69.50.360 and 2014 c 192 s 5 are each amended to 31 read as follows:
- The following acts, when performed by a validly licensed marijuana retailer or employee of a validly licensed retail outlet in compliance with rules adopted by the state liquor control board to implement and enforce chapter 3, Laws of 2013, ((shall)) do not constitute criminal or civil offenses under Washington state law:

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- 1 (1) Purchase and receipt of marijuana concentrates, useable 2 marijuana, or marijuana-infused products that have been properly 3 packaged and labeled from a marijuana processor validly licensed 4 under chapter 3, Laws of 2013;
- 5 (2) Possession of quantities of marijuana concentrates, useable 6 marijuana, or marijuana-infused products that do not exceed the 7 maximum amounts established by the state liquor control board under 8 RCW 69.50.345(5); ((and))
- 9 (3) Delivery, distribution, and sale, on the premises of the 10 retail outlet, of any combination of the following amounts of 11 marijuana concentrates, useable marijuana, or marijuana-infused 12 product to any person twenty-one years of age or older:
 - (a) One ounce of useable marijuana;

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- (b) Sixteen ounces of marijuana-infused product in solid form;
- 15 (c) Seventy-two ounces of marijuana-infused product in liquid 16 form; or
 - (d) Seven grams of marijuana concentrate; and
- 18 <u>(4) Purchase and receipt of marijuana concentrates, useable</u>
 19 <u>marijuana, or marijuana-infused products that have been properly</u>
 20 <u>packaged and labeled from a federally recognized Indian tribe as</u>
 21 <u>permitted under an agreement between the state and the tribe entered</u>
 22 into under section 2 of this act.
- 23 **Sec. 7.** RCW 69.50.363 and 2013 c 3 s 16 are each amended to read 24 as follows:
 - The following acts, when performed by a validly licensed marijuana processor or employee of a validly licensed marijuana processor in compliance with rules adopted by the state liquor control board to implement and enforce chapter 3, Laws of 2013, ((shall)) do not constitute criminal or civil offenses under Washington state law:
- 31 (1) Purchase and receipt of marijuana that has been properly 32 packaged and labeled from a marijuana producer validly licensed under 33 chapter 3, Laws of 2013;
- (2) Possession, processing, packaging, and labeling of quantities of marijuana, useable marijuana, and marijuana-infused products that do not exceed the maximum amounts established by the state liquor control board under RCW 69.50.345(4); ((and))

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- 1 (3) Delivery, distribution, and sale of useable marijuana or 2 marijuana-infused products to a marijuana retailer validly licensed 3 under chapter 3, Laws of 2013; and
- 4 (4) Delivery, distribution, and sale of useable marijuana,
 5 marijuana concentrates, or marijuana-infused products to a federally
 6 recognized Indian tribe as permitted under an agreement between the
 7 state and the tribe entered into under section 2 of this act.
- 8 **Sec. 8.** RCW 69.50.366 and 2013 c 3 s 17 are each amended to read 9 as follows:
- The following acts, when performed by a validly licensed marijuana producer or employee of a validly licensed marijuana producer in compliance with rules adopted by the state liquor control board to implement and enforce chapter 3, Laws of 2013, ((shall)) do not constitute criminal or civil offenses under Washington state law:
- (1) Production or possession of quantities of marijuana that do not exceed the maximum amounts established by the state liquor control board under RCW 69.50.345(3); ((and))
- 18 (2) Delivery, distribution, and sale of marijuana to a marijuana 19 processor or another marijuana producer validly licensed under 20 chapter 3, Laws of 2013; and
- 21 (3) Delivery, distribution, and sale of marijuana or useable 22 marijuana to a federally recognized Indian tribe as permitted under 23 an agreement between the state and the tribe entered into under 24 section 2 of this act.

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