

CERTIFICATION OF ENROLLMENT

HOUSE BILL 2000

64th Legislature
2015 Regular Session

Passed by the House April 24, 2015
Yeas 79 Nays 17

Speaker of the House of Representatives

Passed by the Senate April 24, 2015
Yeas 46 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2000** as passed by House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 2000

AS AMENDED BY THE SENATE

Passed Legislature - 2015 Regular Session

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.

1 AN ACT Relating to authorizing the governor to enter into
2 agreements with federally recognized Indian tribes in the state of
3 Washington concerning marijuana; amending RCW 69.50.360, 69.50.363,
4 and 69.50.366; adding new sections to chapter 43.06 RCW; adding a new
5 section to chapter 69.50 RCW; adding a new section to chapter 82.08
6 RCW; and adding a new section to chapter 82.12 RCW.

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

8 NEW SECTION. **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 agreements may include provisions pertaining to: The lawful
15 commercial production, processing, sale, and possession of marijuana
16 for both recreational and medical purposes; marijuana-related
17 research activities; law enforcement, both criminal and civil; and
18 taxation. The legislature finds that these agreements will facilitate
19 and 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

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 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.06
7 RCW to read as follows:

8 (1) The governor may enter into agreements with federally
9 recognized Indian tribes concerning marijuana. Marijuana agreements
10 may address any marijuana-related issue that involves both state and
11 tribal interests or otherwise has an impact on tribal-state
12 relations. Such agreements may include, but are not limited to, the
13 following provisions and subject matter:

- 14 (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;
- 18 (c) Medical and pharmaceutical research involving marijuana;
- 19 (d) Taxation in accordance with subsection (2) of this section;
- 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.

24 (2)(a) Each marijuana agreement adopted under this section must
25 provide for a tribal marijuana tax that is at least one hundred
26 percent of the state marijuana excise tax imposed under RCW 69.50.535
27 and state and local sales and use taxes on sales of marijuana.
28 Marijuana agreements apply to sales in which tribes, tribal
29 enterprises, or tribal member-owned businesses (i) deliver or cause
30 delivery to be made to or receive delivery from a marijuana producer,
31 processor, or retailer licensed under chapter 69.50 RCW or (ii)
32 physically transfer possession of the marijuana from the seller to
33 the buyer within Indian country.

34 (b) The tribe may allow an exemption from tax for sales to the
35 tribe, tribal enterprises, tribal member-owned businesses, or tribal
36 members on marijuana grown, produced, or processed within its Indian
37 country, or for activities to the extent they are exempt under state
38 or federal law from the state marijuana excise tax imposed under RCW
39 69.50.535 or state and local sales or use taxes on sales of

1 marijuana. Medical marijuana products used in the course of medical
2 treatments by a clinic, hospital, or similar facility owned and
3 operated by a federally recognized Indian tribe within its Indian
4 country may be exempted from tax under the terms of an agreement
5 entered into under this section.

6 (3) Any marijuana agreement relating to the production,
7 processing, and sale of marijuana in Indian country, whether for
8 recreational or medical purposes, must address the following issues:

9 (a) Preservation of public health and safety;

10 (b) Ensuring the security of production, processing, retail, and
11 research facilities; and

12 (c) Cross-border commerce in marijuana.

13 (4) The governor may delegate the power to negotiate marijuana
14 agreements to the state liquor control board. In conducting such
15 negotiations, the state liquor control board must, when necessary,
16 consult with the governor and/or the department of revenue.

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

19 (a) "Indian country" has the same meaning as in RCW 82.24.010.

20 (b) "Indian tribe" or "tribe" means a federally recognized Indian
21 tribe located within the geographical boundaries of the state of
22 Washington.

23 (c) "Marijuana" means "marijuana," "marijuana concentrates,"
24 "marijuana-infused products," and "useable marijuana," as those terms
25 are defined in RCW 69.50.101.

26 NEW SECTION. **Sec. 3.** A new section is added to chapter 69.50
27 RCW to read as follows:

28 The taxes, fees, assessments, and other charges imposed by this
29 chapter do not apply to commercial activities related to the
30 production, processing, sale, and possession of marijuana, useable
31 marijuana, marijuana concentrates, and marijuana-infused products
32 covered by an agreement entered into under section 2 of this act.

33 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.08
34 RCW to read as follows:

35 The taxes imposed by this chapter do not apply to the retail sale
36 of marijuana, useable marijuana, marijuana concentrates, and
37 marijuana-infused products covered by an agreement entered into under
38 section 2 of this act. "Marijuana," "useable marijuana," "marijuana

1 concentrates," and "marijuana-infused products" have the same meaning
2 as defined in RCW 69.50.101.

3 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.12
4 RCW to read as follows:

5 The taxes imposed by this chapter do not apply to the use of
6 marijuana, useable marijuana, marijuana concentrates, and marijuana-
7 infused products covered by an agreement entered into under section 2
8 of this act. "Marijuana," "useable marijuana," "marijuana
9 concentrates," and "marijuana-infused products" have the same meaning
10 as defined in RCW 69.50.101.

11 **Sec. 6.** RCW 69.50.360 and 2014 c 192 s 5 are each amended to
12 read as follows:

13 The following acts, when performed by a validly licensed
14 marijuana retailer or employee of a validly licensed retail outlet in
15 compliance with rules adopted by the state liquor control board to
16 implement and enforce chapter 3, Laws of 2013, (~~shall~~) do not
17 constitute criminal or civil offenses under Washington state law:

18 (1) Purchase and receipt of marijuana concentrates, useable
19 marijuana, or marijuana-infused products that have been properly
20 packaged and labeled from a marijuana processor validly licensed
21 under chapter 3, Laws of 2013;

22 (2) Possession of quantities of marijuana concentrates, useable
23 marijuana, or marijuana-infused products that do not exceed the
24 maximum amounts established by the state liquor control board under
25 RCW 69.50.345(5); (~~and~~)

26 (3) Delivery, distribution, and sale, on the premises of the
27 retail outlet, of any combination of the following amounts of
28 marijuana concentrates, useable marijuana, or marijuana-infused
29 product to any person twenty-one years of age or older:

30 (a) One ounce of useable marijuana;

31 (b) Sixteen ounces of marijuana-infused product in solid form;

32 (c) Seventy-two ounces of marijuana-infused product in liquid
33 form; or

34 (d) Seven grams of marijuana concentrate; and

35 (4) Purchase and receipt of marijuana concentrates, useable
36 marijuana, or marijuana-infused products that have been properly
37 packaged and labeled from a federally recognized Indian tribe as

1 permitted under an agreement between the state and the tribe entered
2 into under section 2 of this act.

3 **Sec. 7.** RCW 69.50.363 and 2013 c 3 s 16 are each amended to read
4 as follows:

5 The following acts, when performed by a validly licensed
6 marijuana processor or employee of a validly licensed marijuana
7 processor in compliance with rules adopted by the state liquor
8 control board to implement and enforce chapter 3, Laws of 2013,
9 (~~shall~~) do not constitute criminal or civil offenses under
10 Washington state law:

11 (1) Purchase and receipt of marijuana that has been properly
12 packaged and labeled from a marijuana producer validly licensed under
13 chapter 3, Laws of 2013;

14 (2) Possession, processing, packaging, and labeling of quantities
15 of marijuana, useable marijuana, and marijuana-infused products that
16 do not exceed the maximum amounts established by the state liquor
17 control board under RCW 69.50.345(4); (~~and~~)

18 (3) Delivery, distribution, and sale of useable marijuana or
19 marijuana-infused products to a marijuana retailer validly licensed
20 under chapter 3, Laws of 2013; and

21 (4) Delivery, distribution, and sale of useable marijuana,
22 marijuana concentrates, or marijuana-infused products to a federally
23 recognized Indian tribe as permitted under an agreement between the
24 state and the tribe entered into under section 2 of this act.

25 **Sec. 8.** RCW 69.50.366 and 2013 c 3 s 17 are each amended to read
26 as follows:

27 The following acts, when performed by a validly licensed
28 marijuana producer or employee of a validly licensed marijuana
29 producer in compliance with rules adopted by the state liquor control
30 board to implement and enforce chapter 3, Laws of 2013, (~~shall~~) do
31 not constitute criminal or civil offenses under Washington state law:

32 (1) Production or possession of quantities of marijuana that do
33 not exceed the maximum amounts established by the state liquor
34 control board under RCW 69.50.345(3); (~~and~~)

35 (2) Delivery, distribution, and sale of marijuana to a marijuana
36 processor or another marijuana producer validly licensed under
37 chapter 3, Laws of 2013; and

1 (3) Delivery, distribution, and sale of marijuana or useable
2 marijuana to a federally recognized Indian tribe as permitted under
3 an agreement between the state and the tribe entered into under
4 section 2 of this act.

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