
HOUSE BILL 2871

State of Washington

66th Legislature

2020 Regular Session

By Representative Kirby; by request of Liquor and Cannabis Board

Read first time 01/28/20. Referred to Committee on Commerce & Gaming.

1 AN ACT Relating to establishing a retail privilege endorsement to
2 a marijuana producer license; amending RCW 69.50.328, 69.50.345,
3 69.50.366, and 69.50.369; reenacting and amending RCW 69.50.345;
4 adding new sections to chapter 69.50 RCW; creating a new section;
5 providing an effective date; and providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that it enacted
8 legislation in 2015 to close unregulated medical marijuana
9 dispensaries and merge the unregulated medical and tightly-regulated
10 recreational marijuana markets by July 2016. Available evidence
11 suggests that medical marijuana products, also known as department of
12 health-compliant products, are not widely or readily available in the
13 retail marketplace, despite a number of provisions included in the
14 2015 legislation to provide access to medical marijuana products.
15 Reasonable access to medical marijuana for qualifying patients across
16 the state is needed; regulatory changes in the marijuana industry are
17 also needed in order to expand production and available inventories
18 of medical marijuana products.

19 (2) The legislature further finds that in order for the marijuana
20 industry to continue to grow and remain strong, production must
21 remain viable for a wide array of producers. State laws and rules

1 must ensure small-scale producers have a reasonable opportunity to
2 remain in business and offer a diverse range of high-quality products
3 for qualifying patients and other consumers. While sharp declines in
4 marijuana prices have presented a challenge to many producers in the
5 industry, small producers are especially impacted by low prices and
6 the lack of opportunity to achieve economies of scale in their
7 operations.

8 (3) The legislature therefore intends to provide expanded access
9 to medical marijuana while simultaneously creating new avenues for
10 small scale marijuana producers to make their businesses more
11 sustainable through better meeting the needs of patients.

12 **Sec. 2.** RCW 69.50.328 and 2013 c 3 s 5 are each amended to read
13 as follows:

14 Except as provided in section 3 of this act, neither a licensed
15 marijuana producer nor a licensed marijuana processor shall have a
16 direct or indirect financial interest in a licensed marijuana
17 retailer.

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

20 (1) A retail privilege endorsement to a marijuana producer
21 license is hereby established to permit marijuana producers who held,
22 as of July 1, 2019, the license defined in rule by the board as
23 authorizing the lowest level of production to engage in the retail
24 sale of medical marijuana as provided in this section and section 4
25 of this act. A marijuana producer holding a retail privilege
26 endorsement may not hold an interest in any other marijuana producer
27 or marijuana retailer license and may not hold any interest in more
28 than one processor license.

29 (2)(a) Retail privilege endorsement holders must meet all
30 marijuana retailer requirements under this chapter and be in
31 compliance with city, town, or county zoning and permit requirements.

32 (b) Marijuana products for sale by the retail privilege
33 endorsement holder must meet department requirements for sale to
34 qualifying patients or designated providers as provided under RCW
35 69.50.375(4). If usable marijuana is used in the creation of products
36 sold by a marijuana producer holding a retail privilege endorsement,
37 the usable marijuana must be of the marijuana producer's own
38 production. Marijuana producers holding a retail privilege

1 endorsement may also sell plants and seeds to qualifying patients
2 holding a valid recognition card under chapter 69.51A RCW.

3 (3) Retail privilege endorsement holders must hold, or employ a
4 person who holds, a medical marijuana consultant certificate under
5 RCW 69.51A.290. The medical marijuana consultant must be on the
6 retail premises when retail sales are being conducted.

7 (4) The retail location of the retail privilege endorsement must
8 be at least one mile from:

9 (a) Any retail outlet in operation as of January 1, 2020;

10 (b) Any retail outlet operated by a tribal government; and

11 (c) A location where a tribal government intends to conduct
12 retail sales of marijuana products if the tribal government has a
13 marijuana compact and has notified the board by January 1, 2020, of
14 its intent.

15 NEW SECTION. **Sec. 4.** A new section is added to chapter 69.50
16 RCW to read as follows:

17 A home delivery endorsement is established to allow a retail
18 privilege endorsement holder to deliver marijuana products to
19 customers as provided in this subsection.

20 (1) Marijuana products delivered under a home delivery
21 endorsement must meet department requirements for sale to qualifying
22 patients or designated providers as provided under RCW 69.50.375(4).

23 (2) Home delivery endorsement holders must hold, or employ a
24 person holding, a medical marijuana consultant certificate under RCW
25 69.51A.290.

26 (3) Home delivery endorsement holders must meet all requirements
27 established by the board in rule.

28 NEW SECTION. **Sec. 5.** A new section is added to chapter 69.50
29 RCW to read as follows:

30 The board must adopt rules to implement sections 3 and 4 of this
31 act. These rules must include:

32 (1) Application forms and application periods for the retail
33 privilege endorsement and the home delivery endorsement;

34 (2) Fees, including any application fees and renewal fees, for
35 the retail privilege endorsement and the home delivery endorsement;

36 (3) Other requirements necessary to implement sections 3 and 4 of
37 this act.

1 **Sec. 6.** RCW 69.50.345 and 2019 c 393 s 2 are each amended to
2 read as follows:

3 The (~~state liquor and cannabis~~) board, subject to the
4 provisions of this chapter, must adopt rules that establish the
5 procedures and criteria necessary to implement the following:

6 (1) Licensing of marijuana producers, marijuana processors, and
7 marijuana retailers, including prescribing forms and establishing
8 application, reinstatement, and renewal fees.

9 (a) Application forms for marijuana producers must request the
10 applicant to state whether the applicant intends to produce marijuana
11 for sale by marijuana retailers holding medical marijuana
12 endorsements and the amount of or percentage of canopy the applicant
13 intends to commit to growing plants determined by the department
14 under RCW 69.50.375 to be of a THC concentration, CBD concentration,
15 or THC to CBD ratio appropriate for marijuana concentrates, useable
16 marijuana, or marijuana-infused products sold to qualifying patients.

17 (b) The (~~state liquor and cannabis~~) board must reconsider and
18 increase limits on the amount of square feet permitted to be in
19 production on July 24, 2015, and increase the percentage of
20 production space for those marijuana producers who intend to grow
21 plants for marijuana retailers holding medical marijuana endorsements
22 if the marijuana producer designates the increased production space
23 to plants determined by the department under RCW 69.50.375 to be of a
24 THC concentration, CBD concentration, or THC to CBD ratio appropriate
25 for marijuana concentrates, useable marijuana, or marijuana-infused
26 products to be sold to qualifying patients. If current marijuana
27 producers do not use all the increased production space, the (~~state
28 liquor and cannabis~~) board may reopen the license period for new
29 marijuana producer license applicants but only to those marijuana
30 producers who agree to grow plants for marijuana retailers holding
31 medical marijuana endorsements. Priority in licensing must be given
32 to marijuana producer license applicants who have an application
33 pending on July 24, 2015, but who are not yet licensed and then to
34 new marijuana producer license applicants. After January 1, 2017, any
35 reconsideration of the limits on the amount of square feet permitted
36 to be in production to meet the medical needs of qualifying patients
37 must consider information contained in the medical marijuana
38 authorization database established in RCW 69.51A.230;

1 (2) Determining, in consultation with the office of financial
2 management, the maximum number of retail outlets that may be licensed
3 in each county, taking into consideration:

4 (a) Population distribution;

5 (b) Security and safety issues;

6 (c) The provision of adequate access to licensed sources of
7 marijuana concentrates, useable marijuana, and marijuana-infused
8 products to discourage purchases from the illegal market; and

9 (d) The number of retail outlets holding medical marijuana
10 endorsements necessary to meet the medical needs of qualifying
11 patients. (~~The state liquor and cannabis board must reconsider and~~
12 ~~increase the maximum number of retail outlets it established before~~
13 ~~July 24, 2015, and allow for a new license application period and a~~
14 ~~greater number of retail outlets to be permitted in order to~~
15 ~~accommodate the medical needs of qualifying patients and designated~~
16 ~~providers. After January 1, 2017,)~~ Any reconsideration of the
17 maximum number of retail outlets needed to meet the medical needs of
18 qualifying patients must consider information contained in the
19 medical marijuana authorization database established in RCW
20 69.51A.230;

21 (3) Determining the maximum quantity of marijuana a marijuana
22 producer may have on the premises of a licensed location at any time
23 without violating Washington state law;

24 (4) Determining the maximum quantities of marijuana, marijuana
25 concentrates, useable marijuana, and marijuana-infused products a
26 marijuana processor may have on the premises of a licensed location
27 at any time without violating Washington state law;

28 (5) Determining the maximum quantities of marijuana concentrates,
29 useable marijuana, and marijuana-infused products a marijuana
30 retailer may have on the premises of a retail outlet at any time
31 without violating Washington state law;

32 (6) In making the determinations required by this section, the
33 (~~state liquor and cannabis~~) board shall take into consideration:

34 (a) Security and safety issues;

35 (b) The provision of adequate access to licensed sources of
36 marijuana, marijuana concentrates, useable marijuana, and marijuana-
37 infused products to discourage purchases from the illegal market; and

38 (c) Economies of scale, and their impact on licensees' ability to
39 both comply with regulatory requirements and undercut illegal market
40 prices;

1 (7) Determining the nature, form, and capacity of all containers
2 to be used by licensees to contain marijuana, marijuana concentrates,
3 useable marijuana, and marijuana-infused products, and their labeling
4 requirements;

5 (8) In consultation with the department of agriculture and the
6 department, establishing classes of marijuana, marijuana
7 concentrates, useable marijuana, and marijuana-infused products
8 according to grade, condition, cannabinoid profile, THC
9 concentration, CBD concentration, or other qualitative measurements
10 deemed appropriate by the ((~~state liquor and cannabis~~)) board;

11 (9) Establishing reasonable time, place, and manner restrictions
12 and requirements regarding advertising of marijuana, marijuana
13 concentrates, useable marijuana, and marijuana-infused products that
14 are not inconsistent with the provisions of this chapter, taking into
15 consideration:

16 (a) Federal laws relating to marijuana that are applicable within
17 Washington state;

18 (b) Minimizing exposure of people under twenty-one years of age
19 to the advertising;

20 (c) The inclusion of medically and scientifically accurate
21 information about the health and safety risks posed by marijuana use
22 in the advertising; and

23 (d) Ensuring that retail outlets with medical marijuana
24 endorsements and retail privilege endorsement holders may advertise
25 themselves as medical retail outlets;

26 (10) Specifying and regulating the time and periods when, and the
27 manner, methods, and means by which, licensees shall transport and
28 deliver marijuana, marijuana concentrates, useable marijuana, and
29 marijuana-infused products within the state;

30 (11) In consultation with the department and the department of
31 agriculture, establishing accreditation requirements for testing
32 laboratories used by licensees to demonstrate compliance with
33 standards adopted by the ((~~state liquor and cannabis~~)) board, and
34 prescribing methods of producing, processing, and packaging
35 marijuana, marijuana concentrates, useable marijuana, and marijuana-
36 infused products; conditions of sanitation; and standards of
37 ingredients, quality, and identity of marijuana, marijuana
38 concentrates, useable marijuana, and marijuana-infused products
39 produced, processed, packaged, or sold by licensees;

1 (12) Specifying procedures for identifying, seizing,
2 confiscating, destroying, and donating to law enforcement for
3 training purposes all marijuana, marijuana concentrates, useable
4 marijuana, and marijuana-infused products produced, processed,
5 packaged, labeled, or offered for sale in this state that do not
6 conform in all respects to the standards prescribed by this chapter
7 or the rules of the (~~state liquor and cannabis~~) board.

8 **Sec. 7.** RCW 69.50.345 and 2019 c 393 s 2 and 2019 c 277 s 6 are
9 each reenacted and amended to read as follows:

10 The (~~state liquor and cannabis~~) board, subject to the
11 provisions of this chapter, must adopt rules that establish the
12 procedures and criteria necessary to implement the following:

13 (1) Licensing of marijuana producers, marijuana processors, and
14 marijuana retailers, including prescribing forms and establishing
15 application, reinstatement, and renewal fees.

16 (a) Application forms for marijuana producers must request the
17 applicant to state whether the applicant intends to produce marijuana
18 for sale by marijuana retailers holding medical marijuana
19 endorsements and the amount of or percentage of canopy the applicant
20 intends to commit to growing plants determined by the department
21 under RCW 69.50.375 to be of a THC concentration, CBD concentration,
22 or THC to CBD ratio appropriate for marijuana concentrates, useable
23 marijuana, or marijuana-infused products sold to qualifying patients.

24 (b) The (~~state liquor and cannabis~~) board must reconsider and
25 increase limits on the amount of square feet permitted to be in
26 production on July 24, 2015, and increase the percentage of
27 production space for those marijuana producers who intend to grow
28 plants for marijuana retailers holding medical marijuana endorsements
29 if the marijuana producer designates the increased production space
30 to plants determined by the department under RCW 69.50.375 to be of a
31 THC concentration, CBD concentration, or THC to CBD ratio appropriate
32 for marijuana concentrates, useable marijuana, or marijuana-infused
33 products to be sold to qualifying patients. If current marijuana
34 producers do not use all the increased production space, the (~~state
35 liquor and cannabis~~) board may reopen the license period for new
36 marijuana producer license applicants but only to those marijuana
37 producers who agree to grow plants for marijuana retailers holding
38 medical marijuana endorsements. Priority in licensing must be given
39 to marijuana producer license applicants who have an application

1 pending on July 24, 2015, but who are not yet licensed and then to
2 new marijuana producer license applicants. After January 1, 2017, any
3 reconsideration of the limits on the amount of square feet permitted
4 to be in production to meet the medical needs of qualifying patients
5 must consider information contained in the medical marijuana
6 authorization database established in RCW 69.51A.230;

7 (2) Determining, in consultation with the office of financial
8 management, the maximum number of retail outlets that may be licensed
9 in each county, taking into consideration:

10 (a) Population distribution;

11 (b) Security and safety issues;

12 (c) The provision of adequate access to licensed sources of
13 marijuana concentrates, useable marijuana, and marijuana-infused
14 products to discourage purchases from the illegal market; and

15 (d) The number of retail outlets holding medical marijuana
16 endorsements necessary to meet the medical needs of qualifying
17 patients. (~~The state liquor and cannabis board must reconsider and
18 increase the maximum number of retail outlets it established before
19 July 24, 2015, and allow for a new license application period and a
20 greater number of retail outlets to be permitted in order to
21 accommodate the medical needs of qualifying patients and designated
22 providers. After January 1, 2017,~~) Any reconsideration of the
23 maximum number of retail outlets needed to meet the medical needs of
24 qualifying patients must consider information contained in the
25 medical marijuana authorization database established in RCW
26 69.51A.230;

27 (3) Determining the maximum quantity of marijuana a marijuana
28 producer may have on the premises of a licensed location at any time
29 without violating Washington state law;

30 (4) Determining the maximum quantities of marijuana, marijuana
31 concentrates, useable marijuana, and marijuana-infused products a
32 marijuana processor may have on the premises of a licensed location
33 at any time without violating Washington state law;

34 (5) Determining the maximum quantities of marijuana concentrates,
35 useable marijuana, and marijuana-infused products a marijuana
36 retailer may have on the premises of a retail outlet at any time
37 without violating Washington state law;

38 (6) In making the determinations required by this section, the
39 (~~state liquor and cannabis~~) board shall take into consideration:

40 (a) Security and safety issues;

1 (b) The provision of adequate access to licensed sources of
2 marijuana, marijuana concentrates, useable marijuana, and marijuana-
3 infused products to discourage purchases from the illegal market; and

4 (c) Economies of scale, and their impact on licensees' ability to
5 both comply with regulatory requirements and undercut illegal market
6 prices;

7 (7) Determining the nature, form, and capacity of all containers
8 to be used by licensees to contain marijuana, marijuana concentrates,
9 useable marijuana, and marijuana-infused products, and their labeling
10 requirements;

11 (8) In consultation with the department of agriculture and the
12 department, establishing classes of marijuana, marijuana
13 concentrates, useable marijuana, and marijuana-infused products
14 according to grade, condition, cannabinoid profile, THC
15 concentration, CBD concentration, or other qualitative measurements
16 deemed appropriate by the (~~state liquor and cannabis~~) board;

17 (9) Establishing reasonable time, place, and manner restrictions
18 and requirements regarding advertising of marijuana, marijuana
19 concentrates, useable marijuana, and marijuana-infused products that
20 are not inconsistent with the provisions of this chapter, taking into
21 consideration:

22 (a) Federal laws relating to marijuana that are applicable within
23 Washington state;

24 (b) Minimizing exposure of people under twenty-one years of age
25 to the advertising;

26 (c) The inclusion of medically and scientifically accurate
27 information about the health and safety risks posed by marijuana use
28 in the advertising; and

29 (d) Ensuring that retail outlets with medical marijuana
30 endorsements and retail privilege endorsement holders may advertise
31 themselves as medical retail outlets;

32 (10) Specifying and regulating the time and periods when, and the
33 manner, methods, and means by which, licensees shall transport and
34 deliver marijuana, marijuana concentrates, useable marijuana, and
35 marijuana-infused products within the state;

36 (11) In consultation with the department and the department of
37 agriculture, prescribing methods of producing, processing, and
38 packaging marijuana, marijuana concentrates, useable marijuana, and
39 marijuana-infused products; conditions of sanitation; and standards
40 of ingredients, quality, and identity of marijuana, marijuana

1 concentrates, useable marijuana, and marijuana-infused products
2 produced, processed, packaged, or sold by licensees;

3 (12) Specifying procedures for identifying, seizing,
4 confiscating, destroying, and donating to law enforcement for
5 training purposes all marijuana, marijuana concentrates, useable
6 marijuana, and marijuana-infused products produced, processed,
7 packaged, labeled, or offered for sale in this state that do not
8 conform in all respects to the standards prescribed by this chapter
9 or the rules of the ((state liquor and cannabis)) board.

10 **Sec. 8.** RCW 69.50.366 and 2017 c 317 s 6 are each amended to
11 read as follows:

12 The following acts, when performed by a validly licensed
13 marijuana producer or employee of a validly licensed marijuana
14 producer in compliance with rules adopted by the ((state liquor and
15 cannabis)) board to implement and enforce this chapter, do not
16 constitute criminal or civil offenses under Washington state law:

17 (1) Production or possession of quantities of marijuana that do
18 not exceed the maximum amounts established by the ((state liquor and
19 cannabis)) board under RCW 69.50.345(3);

20 (2) Delivery, distribution, and sale of marijuana to a marijuana
21 processor or another marijuana producer validly licensed under this
22 chapter;

23 (3) Delivery, distribution, and sale of immature plants or clones
24 and marijuana seeds to a licensed marijuana researcher, and to
25 receive or purchase immature plants or clones and seeds from a
26 licensed marijuana researcher; ((and))

27 (4) Delivery, distribution, and sale of marijuana or useable
28 marijuana to a federally recognized Indian tribe as permitted under
29 an agreement between the state and the tribe entered into under RCW
30 43.06.490; and

31 (5) Delivery, distribution, and sale of marijuana products under
32 sections 3 and 4 of this act.

33 **Sec. 9.** RCW 69.50.369 and 2017 c 317 s 14 are each amended to
34 read as follows:

35 (1) No licensed marijuana producer, processor, researcher, or
36 retailer may place or maintain, or cause to be placed or maintained,
37 any sign or other advertisement for a marijuana business or marijuana
38 product, including useable marijuana, marijuana concentrates, or

1 marijuana-infused product, in any form or through any medium
2 whatsoever within one thousand feet of the perimeter of a school
3 grounds, playground, recreation center or facility, child care
4 center, public park, or library, or any game arcade admission to
5 which is not restricted to persons aged twenty-one years or older.

6 (2) Except for the use of billboards as authorized under this
7 section, licensed marijuana retailers may not display any signage
8 outside of the licensed premises, other than two signs identifying
9 the retail outlet by the licensee's business or trade name, stating
10 the location of the business, and identifying the nature of the
11 business. Each sign must be no larger than one thousand six hundred
12 square inches and be permanently affixed to a building or other
13 structure. The location and content of the retail marijuana signs
14 authorized under this subsection are subject to all other
15 requirements and restrictions established in this section for indoor
16 signs, outdoor signs, and other marijuana-related advertising
17 methods.

18 (3) A marijuana licensee may not utilize transit advertisements
19 for the purpose of advertising its business or product line. "Transit
20 advertisements" means advertising on or within private or public
21 vehicles and all advertisements placed at, on, or within any bus
22 stop, taxi stand, transportation waiting area, train station,
23 airport, or any similar transit-related location.

24 (4) A marijuana licensee may not engage in advertising or other
25 marketing practice that specifically targets persons residing outside
26 of the state of Washington.

27 (5) All signs, billboards, or other print advertising for
28 marijuana businesses or marijuana products must contain text stating
29 that marijuana products may be purchased or possessed only by persons
30 twenty-one years of age or older.

31 (6) A marijuana licensee may not:

32 (a) Take any action, directly or indirectly, to target youth in
33 the advertising, promotion, or marketing of marijuana and marijuana
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 marijuana or marijuana 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, where such objects, images, or depictions indicate an intent

1 to cause youth to become interested in the purchase or consumption of
2 marijuana products; or

3 (c) Use or employ a commercial mascot outside of, and in
4 proximity to, a licensed marijuana 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 marijuana products or the presence of a marijuana
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 marijuana-related commercial message or image,
11 where the intent is to draw attention to a marijuana business or its
12 products.

13 (7) A marijuana licensee that engages in outdoor advertising is
14 subject to the advertising requirements and restrictions set forth in
15 this subsection (7) and elsewhere in this chapter.

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

27 (b) Outdoor advertising is prohibited:

28 (i) On signs and placards in arenas, stadiums, shopping malls,
29 fairs that receive state allocations, farmers markets, and video game
30 arcades, whether any of the foregoing are open air or enclosed, but
31 not including any such sign or placard located in an adult only
32 facility; and

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

36 (c) Licensed retail outlets may use a billboard or outdoor sign
37 solely for the purpose of identifying the name of the business, the
38 nature of the business, and providing the public with directional
39 information to the licensed retail outlet. Billboard advertising is

1 subject to the same requirements and restrictions as set forth in (a)
2 of this subsection.

3 (d) Advertising signs within the premises of a retail marijuana
4 business outlet that are visible to the public from outside the
5 premises must meet the signage regulations and requirements
6 applicable to outdoor signs as set forth in this section.

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

9 (i) An advertisement inside a licensed retail establishment that
10 sells marijuana products that is not placed on the inside surface of
11 a window facing outward; or

12 (ii) An outdoor advertisement at the site of an event to be held
13 at an adult only facility that is placed at such site during the
14 period the facility or enclosed area constitutes an adult only
15 facility, but in no event more than fourteen days before the event,
16 and that does not advertise any marijuana product other than by using
17 a brand name to identify the event.

18 (8) Merchandising within a retail outlet is not advertising for
19 the purposes of this section.

20 (9) This section does not apply to a noncommercial message.

21 (10)(a) The (~~state liquor and cannabis~~) board must:

22 (i) Adopt rules implementing this section and specifically
23 including provisions regulating the billboards and outdoor signs
24 authorized under this section; and

25 (ii) Fine a licensee one thousand dollars for each violation of
26 this section until the (~~state liquor and cannabis~~) board adopts
27 rules prescribing penalties for violations of this section. The rules
28 must establish escalating penalties including fines and up to
29 suspension or revocation of a marijuana license for subsequent
30 violations.

31 (b) Fines collected under this subsection must be deposited into
32 the dedicated marijuana account created under RCW 69.50.530.

33 (11) A city, town, or county may adopt rules of outdoor
34 advertising by licensed marijuana retailers that are more restrictive
35 than the advertising restrictions imposed under this chapter.
36 Enforcement of restrictions to advertising by a city, town, or county
37 is the responsibility of the city, town, or county.

38 NEW SECTION. **Sec. 10.** Section 6 of this act expires July 1,
39 2024.

1 NEW SECTION. **Sec. 11.** Section 7 of this act takes effect July
2 1, 2024.

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