

SB 5363 - H COMM AMD

By Committee on Regulated Substances & Gaming

NOT CONSIDERED 01/02/2024

1 Strike everything after the enacting clause and insert the
2 following:

3 **"Sec. 1.** RCW 69.50.369 and 2022 c 16 s 75 are each amended to
4 read as follows:

5 (1) ~~((No))~~ Except as provided in subsection (11) of this section
6 and consistent with RCW 69.50.331(8)(b), no licensed cannabis
7 producer, processor, researcher, or retailer may place or maintain,
8 or cause to be placed or maintained, any sign or other advertisement
9 for a cannabis business or cannabis product, including useable
10 cannabis, cannabis concentrates, or cannabis-infused product, in any
11 form or through any medium whatsoever within one thousand feet of the
12 perimeter of a school grounds, playground, recreation center or
13 facility, child care center, public park, or library, or any game
14 arcade admission to which is not restricted to persons aged twenty-
15 one years or older.

16 (2) Except for the use of billboards as authorized under this
17 section, licensed cannabis retailers may not display any signage
18 outside of the licensed premises, other than two signs identifying
19 the retail outlet by the licensee's business or trade name, stating
20 the location of the business, and identifying the nature of the
21 business. Each sign must be ~~((no larger than one thousand six hundred~~
22 ~~square inches and be))~~ permanently affixed to a building or other
23 structure. The location and content of the retail cannabis signs
24 authorized under this subsection are subject to all other
25 requirements and restrictions established in this section for indoor
26 signs, outdoor signs, and other cannabis-related advertising methods.

27 (3) A cannabis licensee may not utilize transit advertisements
28 for the purpose of advertising its business or product line. "Transit
29 advertisements" means advertising on or within private or public
30 vehicles and all advertisements placed at, on, or within any bus
31 stop, taxi stand, transportation waiting area, train station,
32 airport, or any similar transit-related location.

1 (4) A cannabis licensee may not engage in advertising or other
2 marketing practice that specifically targets persons residing outside
3 of the state of Washington.

4 (5) All signs, billboards, or other print advertising for
5 cannabis businesses or cannabis products must contain text stating
6 that cannabis products may be purchased or possessed only by persons
7 twenty-one years of age or older.

8 (6) A cannabis licensee may not:

9 (a) Take any action, directly or indirectly, to target youth in
10 the advertising, promotion, or marketing of cannabis and cannabis
11 products, or take any action the primary purpose of which is to
12 initiate, maintain, or increase the incidence of youth use of
13 cannabis or cannabis products;

14 (b) Use objects such as toys or inflatables, movie or cartoon
15 characters, or any other depiction or image likely to be appealing to
16 youth, where such objects, images, or depictions indicate an intent
17 to cause youth to become interested in the purchase or consumption of
18 cannabis products; or

19 (c) Use or employ a commercial mascot outside of, and in
20 proximity to, a licensed cannabis business. A "commercial mascot"
21 means live human being, animal, or mechanical device used for
22 attracting the attention of motorists and passersby so as to make
23 them aware of cannabis products or the presence of a cannabis
24 business. Commercial mascots include, but are not limited to,
25 inflatable tube displays, persons in costume, or wearing, holding, or
26 spinning a sign with a cannabis-related commercial message or image,
27 where the intent is to draw attention to a cannabis business or its
28 products.

29 (7) A cannabis licensee that engages in outdoor advertising is
30 subject to the advertising requirements and restrictions set forth in
31 this subsection (7) and elsewhere in this chapter.

32 (a) All outdoor advertising signs, including billboards, are
33 limited to text that identifies the retail outlet by the licensee's
34 business or trade name, states the location of the business, and
35 identifies the type or nature of the business. Such signs may not
36 contain any depictions of cannabis plants, cannabis products, or
37 images that might be appealing to children. The board is granted
38 rule-making authority to regulate the text and images that are
39 permissible on outdoor advertising. Such rule making must be

1 consistent with other administrative rules generally applicable to
2 the advertising of cannabis businesses and products.

3 (b) Outdoor advertising is prohibited:

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

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

12 (c) Licensed retail outlets may use a billboard or outdoor sign
13 solely for the purpose of identifying the name of the business, the
14 nature of the business, and providing the public with directional
15 information to the licensed retail outlet. Billboard advertising is
16 subject to the same requirements and restrictions as set forth in (a)
17 of this subsection.

18 (d) Advertising signs within the premises of a retail cannabis
19 business outlet that are visible to the public from outside the
20 premises must meet the signage regulations and requirements
21 applicable to outdoor signs as set forth in this section.

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

24 (i) An advertisement inside a licensed retail establishment that
25 sells cannabis products that is not placed on the inside surface of a
26 window facing outward; or

27 (ii) An outdoor advertisement at the site of an event to be held
28 at an adult only facility that is placed at such site during the
29 period the facility or enclosed area constitutes an adult only
30 facility, but in no event more than fourteen days before the event,
31 and that does not advertise any cannabis product other than by using
32 a brand name to identify the event.

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

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

36 (10)(a) The board must:

37 (i) Adopt rules implementing this section and specifically
38 including provisions regulating the billboards and outdoor signs
39 authorized under this section; and

1 (ii) Fine a licensee one thousand dollars for each violation of
2 this section until the board adopts rules prescribing penalties for
3 violations of this section. The rules must establish escalating
4 penalties including fines and up to suspension or revocation of a
5 cannabis license for subsequent violations.

6 (b) Fines collected under this subsection must be deposited into
7 the dedicated cannabis account created under RCW 69.50.530.

8 (11)(a) A city, town, or county may adopt rules of outdoor
9 advertising by licensed cannabis retailers that (~~are~~):

10 (i) Allow advertising for the retail premises by cannabis
11 retailers that are permitted to be within 1,000 feet of the locations
12 specified in subsection (1) of this section pursuant to RCW
13 69.50.331(8)(b), not including elementary schools, secondary schools,
14 or playgrounds; or

15 (ii) Are more restrictive than the advertising restrictions
16 imposed under this chapter.

17 (b) Enforcement of restrictions to advertising by a city, town,
18 or county is the responsibility of the city, town, or county.

19 (12) The board may not regulate the size of retail signs, whether
20 indoor or outdoor, and billboards for licensed cannabis retailers.
21 Licensed cannabis retailers are subject to any size requirements for
22 retail signs and billboards of the city, town, or county in which the
23 licensed cannabis retailer is located. This subsection does not
24 affect the board's rule-making authority regarding any other licensed
25 cannabis retailer advertising requirements under this section or RCW
26 69.50.342 or 69.50.345."

27 Correct the title.

EFFECT: Clarifies that the exception for licensed cannabis
retailers to advertise within one thousand feet of certain locations
only applies to retailers that are permitted by a local ordinance
pursuant to existing law.

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