
HOUSE BILL 1835

State of Washington

69th Legislature

2025 Regular Session

By Representatives Burnett, Graham, Ley, Abell, Schmidt, Davis, and Eslick

Read first time 02/04/25. Referred to Committee on Consumer Protection & Business.

1 AN ACT Relating to aligning cannabis licensing decisions by the
2 liquor and cannabis board with local zoning ordinances; and amending
3 RCW 69.50.331 and 69.51A.250.

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

5 **Sec. 1.** RCW 69.50.331 and 2023 c 220 s 2 are each amended to
6 read as follows:

7 (1) For the purpose of considering any application for a license
8 to produce, process, research, transport, or deliver cannabis,
9 useable cannabis, cannabis concentrates, or cannabis-infused products
10 subject to the regulations established under RCW 69.50.385, or sell
11 cannabis, or for the renewal of a license to produce, process,
12 research, transport, or deliver cannabis, useable cannabis, cannabis
13 concentrates, or cannabis-infused products subject to the regulations
14 established under RCW 69.50.385, or sell cannabis, the board must
15 conduct a comprehensive, fair, and impartial evaluation of the
16 applications timely received.

17 (a) The board may cause an inspection of the premises to be made,
18 and may inquire into all matters in connection with the construction
19 and operation of the premises. For the purpose of reviewing any
20 application for a license and for considering the denial, suspension,
21 revocation, cancellation, or renewal or denial thereof, of any

1 license, the board may consider any prior criminal arrests or
2 convictions of the applicant, any public safety administrative
3 violation history record with the board, and a criminal history
4 record information check. The board may submit the criminal history
5 record information check to the Washington state patrol and to the
6 identification division of the federal bureau of investigation in
7 order that these agencies may search their records for prior arrests
8 and convictions of the individual or individuals who filled out the
9 forms. The board must require fingerprinting of any applicant whose
10 criminal history record information check is submitted to the federal
11 bureau of investigation. The provisions of RCW 9.95.240 and of
12 chapter 9.96A RCW do not apply to these cases. Subject to the
13 provisions of this section, the board may, in its discretion, grant
14 or deny the renewal or license applied for. Denial may be based on,
15 without limitation, the existence of (~~chronic~~) illegal activity
16 documented in objections submitted pursuant to subsections (~~(7)~~)
17 (8)(c) and (~~(10)~~) (11) of this section. Authority to approve an
18 uncontested or unopposed license may be granted by the board to any
19 staff member the board designates in writing. Conditions for granting
20 this authority must be adopted by rule.

21 (b) No license of any kind may be issued to:

22 (i) A person under the age of 21 years;

23 (ii) A person doing business as a sole proprietor who has not
24 lawfully resided in the state for at least six months prior to
25 applying to receive a license;

26 (iii) A partnership, employee cooperative, association, nonprofit
27 corporation, or corporation unless formed under the laws of this
28 state, and unless all of the members thereof are qualified to obtain
29 a license as provided in this section; (~~(e)~~)

30 (iv) A person whose place of business is conducted by a manager
31 or agent, unless the manager or agent possesses the same
32 qualifications required of the licensee; or

33 (v) Any entity when there is a written objection from a city,
34 town, county, port authority, or tribal government of a federally
35 recognized Indian tribe, pursuant to subsection (7) of this section.

36 (2)(a) The board may, in its discretion, subject to RCW
37 43.05.160, 69.50.563, 69.50.562, 69.50.334, and 69.50.342(3) suspend
38 or cancel any license; and all protections of the licensee from
39 criminal or civil sanctions under state law for producing,
40 processing, researching, or selling cannabis, cannabis concentrates,

1 useable cannabis, or cannabis-infused products thereunder must be
2 suspended or terminated, as the case may be.

3 (b) The board must immediately suspend the license of a person
4 who has been certified pursuant to RCW 74.20A.320 by the department
5 of social and health services as a person who is not in compliance
6 with a support order. If the person has continued to meet all other
7 requirements for reinstatement during the suspension, reissuance of
8 the license is automatic upon the board's receipt of a release issued
9 by the department of social and health services stating that the
10 licensee is in compliance with the order.

11 (c) The board may request the appointment of administrative law
12 judges under chapter 34.12 RCW who shall have power to administer
13 oaths, issue subpoenas for the attendance of witnesses and the
14 production of papers, books, accounts, documents, and testimony,
15 examine witnesses, receive testimony in any inquiry, investigation,
16 hearing, or proceeding in any part of the state, and consider
17 mitigating and aggravating circumstances in any case and deviate from
18 any prescribed penalty, under rules the board may adopt.

19 (d) Witnesses must be allowed fees and mileage each way to and
20 from any inquiry, investigation, hearing, or proceeding at the rate
21 authorized by RCW 34.05.446. Fees need not be paid in advance of
22 appearance of witnesses to testify or to produce books, records, or
23 other legal evidence.

24 (e) In case of disobedience of any person to comply with the
25 order of the board or a subpoena issued by the board, or any of its
26 members, or administrative law judges, or on the refusal of a witness
27 to testify to any matter regarding which he or she may be lawfully
28 interrogated, the judge of the superior court of the county in which
29 the person resides, on application of any member of the board or
30 administrative law judge, compels obedience by contempt proceedings,
31 as in the case of disobedience of the requirements of a subpoena
32 issued from said court or a refusal to testify therein.

33 (3) Upon receipt of notice of the suspension or cancellation of a
34 license, the licensee must forthwith deliver up the license to the
35 board. Where the license has been suspended only, the board must
36 return the license to the licensee at the expiration or termination
37 of the period of suspension. The board must notify all other
38 licensees in the county where the subject licensee has its premises
39 of the suspension or cancellation of the license; and no other
40 licensee or employee of another licensee may allow or cause any

1 cannabis, cannabis concentrates, useable cannabis, or cannabis-
2 infused products to be delivered to or for any person at the premises
3 of the subject licensee.

4 (4) Every license issued under this chapter is subject to all
5 conditions and restrictions imposed by this chapter or by rules
6 adopted by the board to implement and enforce this chapter. All
7 conditions and restrictions imposed by the board in the issuance of
8 an individual license must be listed on the face of the individual
9 license along with the trade name, address, and expiration date.

10 (5) Every licensee must post and keep posted its license, or
11 licenses, in a conspicuous place on the premises.

12 (6) No licensee may employ any person under the age of 21 years.

13 (7) The board may not issue a new or renewed cannabis license for
14 any premises in which the city, town, county, port authority, or
15 tribal government of a federally recognized Indian tribe, as
16 applicable, has provided a written objection under subsection (8) of
17 this section stating that the jurisdiction's local zoning ordinances
18 prohibit the use of the property for activities authorized under the
19 terms of the applicable cannabis license. For purposes of making
20 licensing decisions in conformity with local zoning ordinances under
21 this subsection, the board may rely on a written statement submitted
22 to the board by the following entities, stating that the
23 jurisdiction's local zoning ordinances either do or do not prohibit
24 the use of the property for activities authorized under the terms of
25 the cannabis license:

26 (a) The chief executive officer of the incorporated city or town
27 if the application is for a license in an incorporated city or town;

28 (b) The county legislative authority if the application is for a
29 license outside the boundaries of incorporated cities or towns;

30 (c) The port authority if the application is for a license on
31 property owned by a port authority; or

32 (d) The tribal government if the application is for a license on
33 property within Indian country, as defined in 18 U.S.C. Sec. 1151,
34 including any fee patent lands within the exterior boundaries of a
35 reservation.

36 (8)(a) Before the board issues a new or renewed license to an
37 applicant it must give notice of the application to the chief
38 executive officer of the incorporated city or town, if the
39 application is for a license within an incorporated city or town, or
40 to the county legislative authority, if the application is for a

1 license outside the boundaries of incorporated cities or towns, or to
2 the tribal government if the application is for a license within
3 Indian country, or to the port authority if the application for a
4 license is located on property owned by a port authority.

5 (b) The incorporated city or town through the official or
6 employee selected by it, the county legislative authority or the
7 official or employee selected by it, the tribal government, or port
8 authority has the right to file with the board within twenty days
9 after the date of transmittal of the notice for applications, or at
10 least thirty days prior to the expiration date for renewals, written
11 objections against the applicant or against the premises for which
12 the new or renewed license is asked. The board may extend the time
13 period for submitting written objections upon request from the
14 authority notified by the board.

15 (c) The written objections must include a statement of all facts
16 upon which the objections are based, and in case written objections
17 are filed, the city or town or county legislative authority may
18 request, and the board (~~may in its discretion~~) shall hold, a
19 hearing subject to the applicable provisions of Title 34 RCW. If the
20 board makes an initial decision to deny a license or renewal based on
21 the written objections of an incorporated city or town or county
22 legislative authority, the applicant may request a hearing subject to
23 the applicable provisions of Title 34 RCW. If a hearing is held at
24 the request of the applicant, board representatives must present and
25 defend the board's initial decision to deny a license or renewal. If
26 denial is based upon written objections of a city, town, county, port
27 authority, or tribal government of a federally recognized Indian
28 tribe, the board must notify the city, town, county, port authority,
29 or tribal government of a federally recognized Indian tribe and
30 provide opportunity for the city, town, county, port authority, or
31 tribal government of a federally recognized Indian tribe to provide
32 additional information in support of the board's denial.

33 (d) Upon the granting of a license under this title the board
34 must send written notification to the chief executive officer of the
35 incorporated city or town in which the license is granted, or to the
36 county legislative authority if the license is granted outside the
37 boundaries of incorporated cities or towns.

38 (~~(+8)~~) (9)(a) Except as provided in (b) through (e) of this
39 subsection, the board may not issue a license for any premises within
40 1,000 feet of the perimeter of the grounds of any elementary or

1 secondary school, playground, recreation center or facility, child
2 care center, public park, public transit center, or library, or any
3 game arcade admission to which is not restricted to persons aged 21
4 years or older.

5 (b) A city, county, or town may permit the licensing of premises
6 within 1,000 feet but not less than 100 feet of the facilities
7 described in (a) of this subsection, except elementary schools,
8 secondary schools, and playgrounds, by enacting an ordinance
9 authorizing such distance reduction, provided that such distance
10 reduction will not negatively impact the jurisdiction's civil
11 regulatory enforcement, criminal law enforcement interests, public
12 safety, or public health.

13 (c) A city, county, or town may permit the licensing of research
14 premises allowed under RCW 69.50.372 within 1,000 feet but not less
15 than 100 feet of the facilities described in (a) of this subsection
16 by enacting an ordinance authorizing such distance reduction,
17 provided that the ordinance will not negatively impact the
18 jurisdiction's civil regulatory enforcement, criminal law
19 enforcement, public safety, or public health.

20 (d) The board may license premises located in compliance with the
21 distance requirements set in an ordinance adopted under (b) or (c) of
22 this subsection. Before issuing or renewing a research license for
23 premises within 1,000 feet but not less than 100 feet of an
24 elementary school, secondary school, or playground in compliance with
25 an ordinance passed pursuant to (c) of this subsection, the board
26 must ensure that the facility:

27 (i) Meets a security standard exceeding that which applies to
28 cannabis producer, processor, or retailer licensees;

29 (ii) Is inaccessible to the public and no part of the operation
30 of the facility is in view of the general public; and

31 (iii) Bears no advertising or signage indicating that it is a
32 cannabis research facility.

33 (e) The board must issue a certificate of compliance if the
34 premises met the requirements under (a), (b), (c), or (d) of this
35 subsection on the date of the application. The certificate allows the
36 licensee to operate the business at the proposed location
37 notwithstanding a later occurring, otherwise disqualifying factor.

38 (f) The board may not issue a license for any premises within
39 Indian country, as defined in 18 U.S.C. Sec. 1151, including any fee
40 patent lands within the exterior boundaries of a reservation, without

1 the consent of the federally recognized tribe associated with the
2 reservation or Indian country.

3 ~~((9))~~ (10) A city, town, or county may adopt an ordinance
4 prohibiting a cannabis producer or cannabis processor from operating
5 or locating a business within areas zoned primarily for residential
6 use or rural use with a minimum lot size of five acres or smaller.

7 ~~((10))~~ (11) In determining whether to grant or deny a license
8 or renewal of any license, the board must give substantial weight to
9 objections from an incorporated city or town or county legislative
10 authority based upon ~~(chronic)~~ illegal activity associated with the
11 applicant's operations of the premises proposed to be licensed or the
12 applicant's operation of any other licensed premises, or the conduct
13 of the applicant's patrons inside or outside the licensed premises.

14 "~~(Chronic-illegal)~~ Illegal activity" means: (a) ~~((a-pervasive~~
15 ~~pattern-of-activity))~~ Activity that threatens the public health,
16 safety, and welfare of the city, town, or county including, but not
17 limited to, open container violations, assaults, disturbances,
18 disorderly conduct, or other criminal or civil law violations, or as
19 documented in crime statistics, police reports, emergency medical
20 response data, calls for service, field data, or similar records of a
21 law or code enforcement agency for the city, town, county, or any
22 other municipal corporation or any state agency; or (b) an
23 unreasonably high number of citations for violations of RCW 46.61.502
24 associated with the applicant's or licensee's operation of any
25 licensed premises as indicated by the reported statements given to
26 law enforcement upon arrest.

27 ~~((11))~~ (12) The board may not issue a cannabis retail license
28 for any premises not currently licensed if:

29 (a) The board receives a written objection from the legislative
30 authority of an incorporated city or town, or county legislative
31 authority, relating to the physical location of the proposed
32 premises;

33 (b) The objection to the location from the incorporated city or
34 town, or county legislative authority, is received by the board
35 within 20 days of the board notifying the incorporated city or town,
36 or county legislative authority, of the proposed cannabis retail
37 location; and

38 (c) The objection to the issuance of a cannabis retail license at
39 the specified location is based on a preexisting local ordinance
40 limiting outlet density in a specific geographic area. For purposes

1 of this subsection (~~((11))~~) (12), a preexisting local ordinance is an
2 ordinance enacted and in effect before the date the applicant submits
3 an application for a cannabis retail license to the board identifying
4 the premises proposed to be licensed. No objection related to the
5 physical location of a proposed premises may be made by a local
6 government under this subsection (~~((11))~~) (12) based on a local
7 ordinance enacted after the date the applicant submits an application
8 for a cannabis retail license to the board identifying the premises
9 proposed to be licensed.

10 (~~((12))~~) (13) After January 1, 2024, all cannabis licensees are
11 encouraged but are not required to submit a social equity plan to the
12 board. Upon confirmation by the board that a cannabis licensee who is
13 not a social equity applicant, and who does not hold a social equity
14 license issued under RCW 69.50.335, has submitted a social equity
15 plan, the board must within 30 days reimburse such a licensee an
16 amount equal to the cost of the licensee's annual cannabis license
17 renewal fee. The license renewal fee reimbursement authorized under
18 this subsection is subject to the following limitations:

19 (a) The board may provide reimbursement one time only to any
20 licensed entity; and

21 (b) Any licensed entity holding more than one cannabis license is
22 eligible for reimbursement of the license renewal fee on only one
23 license.

24 **Sec. 2.** RCW 69.51A.250 and 2022 c 16 s 129 are each amended to
25 read as follows:

26 (1) Qualifying patients or designated providers may form a
27 cooperative and share responsibility for acquiring and supplying the
28 resources needed to produce and process cannabis only for the medical
29 use of members of the cooperative. No more than four qualifying
30 patients or designated providers may become members of a cooperative
31 under this section and all members must hold valid recognition cards.
32 All members of the cooperative must be at least twenty-one years old.
33 The designated provider of a qualifying patient who is under twenty-
34 one years old may be a member of a cooperative on the qualifying
35 patient's behalf. All plants grown in the cooperative must be from an
36 immature plant or clone purchased from a licensed cannabis producer
37 as defined in RCW 69.50.101. Cooperatives may also purchase cannabis
38 seeds from a licensed cannabis producer.

1 (2) Qualifying patients and designated providers who wish to form
2 a cooperative must register the location with the state liquor and
3 cannabis board and this is the only location where cooperative
4 members may grow or process cannabis. This registration must include
5 the names of all participating members and copies of each
6 participant's recognition card. Only qualifying patients or
7 designated providers registered with the state liquor and cannabis
8 board in association with the location may participate in growing or
9 receive useable cannabis or cannabis-infused products grown at that
10 location.

11 (3) No cooperative may be located in any of the following areas:

12 (a) Within one mile of a cannabis retailer;

13 (b) Within the smaller of either:

14 (i) One thousand feet of the perimeter of the grounds of any
15 elementary or secondary school, playground, recreation center or
16 facility, child care center, public park, public transit center,
17 library, or any game arcade that admission to which is not restricted
18 to persons aged twenty-one years or older; or

19 (ii) The area restricted by ordinance, if the cooperative is
20 located in a city, county, or town that has passed an ordinance
21 pursuant to RCW 69.50.331(~~((8))~~) (9); or

22 (c) Where prohibited by a city, town, or county zoning provision.

23 (4) The state liquor and cannabis board must deny the
24 registration of any cooperative if the location does not comply with
25 the requirements set forth in subsection (3) of this section.

26 (5) If a qualifying patient or designated provider no longer
27 participates in growing at the location, he or she must notify the
28 state liquor and cannabis board within fifteen days of the date the
29 qualifying patient or designated provider ceases participation. The
30 state liquor and cannabis board must remove his or her name from
31 connection to the cooperative. Additional qualifying patients or
32 designated providers may not join the cooperative until sixty days
33 have passed since the date on which the last qualifying patient or
34 designated provider notifies the state liquor and cannabis board that
35 he or she no longer participates in that cooperative.

36 (6) Qualifying patients or designated providers who participate
37 in a cooperative under this section:

38 (a) May grow up to the total amount of plants for which each
39 participating member is authorized on their recognition cards, up to
40 a maximum of sixty plants. At the location, the qualifying patients

1 or designated providers may possess the amount of useable cannabis
2 that can be produced with the number of plants permitted under this
3 subsection, but no more than seventy-two ounces;

4 (b) May only participate in one cooperative;

5 (c) May only grow plants in the cooperative and if he or she
6 grows plants in the cooperative may not grow plants elsewhere;

7 (d) Must provide assistance in growing plants. A monetary
8 contribution or donation is not to be considered assistance under
9 this section. Participants must provide nonmonetary resources and
10 labor in order to participate; and

11 (e) May not sell, donate, or otherwise provide cannabis, cannabis
12 concentrates, useable cannabis, or cannabis-infused products to a
13 person who is not participating under this section.

14 (7) The location of the cooperative must be the domicile of one
15 of the participants. Only one cooperative may be located per property
16 tax parcel. A copy of each participant's recognition card must be
17 kept at the location at all times.

18 (8) The state liquor and cannabis board may adopt rules to
19 implement this section including:

20 (a) Any security requirements necessary to ensure the safety of
21 the cooperative and to reduce the risk of diversion from the
22 cooperative;

23 (b) A seed to sale traceability model that is similar to the seed
24 to sale traceability model used by licensees that will allow the
25 state liquor and cannabis board to track all cannabis grown in a
26 cooperative.

27 (9) The state liquor and cannabis board or law enforcement may
28 inspect a cooperative registered under this section to ensure members
29 are in compliance with this section. The state liquor and cannabis
30 board must adopt rules on reasonable inspection hours and reasons for
31 inspections.

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