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SENATE BILL 5206

State of Washington

69th Legislature

2025 Regular Session

By Senator MacEwen

Prefiled 01/09/25.

- 1 AN ACT Relating to cannabis retailer advertising; and amending 2 RCW 69.50.369.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 69.50.369 and 2022 c 16 s 75 are each amended to read as follows:
 - (1) No licensed cannabis producer, processor, researcher, or retailer may place or maintain, or cause to be placed or maintained, any sign or other advertisement for a cannabis business or cannabis product, including useable cannabis, cannabis concentrates, or cannabis-infused product, in any form or through any medium whatsoever within one thousand feet of the perimeter of a school grounds, playground, recreation center or facility, child care center, public park, or library, or any game arcade admission ((to which is not restricted to persons aged twenty-one years or older)) that allows admittance of persons under the age of 21.
 - (2) (a) Except for the use of <u>trade name signs and</u> billboards as authorized under this section, licensed cannabis retailers may not display any <u>cannabis-related advertising</u> signage ((outside of)) <u>on</u> the licensed premises, other than ((two signs identifying the retail outlet by the licensee's business or trade name, stating the location

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- of the business, and identifying the nature of the business)) four signs affixed to the building of the licensed location.
- 3 <u>(b)</u> Each <u>advertisement</u> sign must be no larger than one thousand 4 six hundred square inches and be ((permanently affixed to a building 5 <u>or other structure</u>)):
 - (i) Affixed on the building of the licensed location; or
- 7 (ii) Hanging in the windows of the licensed location.
- 8 (c) (i) Any advertising signs that are visible to the public from
 9 the public right-of-way, whether on the building or through a window
 10 of the building, will be considered advertising for the purposes of
 11 this section.
- (ii) Signs that are less than 512 square inches are not considered advertising for purposes of this section if the sign does not include any brand names, trade names, or images of any cannabis product and only indicates information including, but not limited to:
- 16 (A) Hours of operation;

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- 17 <u>(B) Business is open or closed;</u>
- 18 (C) The presence of an ATM machine;
- 19 (D) The word "welcome";
- 20 (E) Required signs or notices; and
- 21 <u>(F) Community notices.</u>
- 22 <u>(3) (a) In addition to the four signs described in subsection (2)</u>
 23 <u>of this section, licensed businesses may use separate trade name</u>
 24 <u>signs.</u>
 - (b) Trade name signs must comply with local authority regulations related to the size and number of signs for the city, town, or county in which the licensed cannabis retailer is located. The enforcement of the size and number of trade name signs and billboards is the responsibility of the city, town, or county in which the licensed cannabis retailer is located.
- 31 <u>(c) Trade name signs may only reflect the trade name of the</u>
 32 <u>licensed business and may not contain cannabis products or product</u>
 33 brand names.
- 34 (4) All signage, advertising, and billboard content is prohibited
 35 if the content portrays:
- 36 <u>(a) Alcohol or its use;</u>
- 37 (b) Tobacco or nicotine or its use; or
- 38 <u>(c) Any association with a motor vehicle or operation of a motor</u> 39 <u>vehicle.</u>

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1 (5) Any cannabis-related advertising in any business licensed by 2 the board under chapter 70.345, 82.24, or 82.26 RCW is prohibited.

- (6) The location and content of the retail cannabis signs authorized under ((this)) subsection (2) of this section are subject to all other requirements and restrictions established in this section for indoor signs, outdoor signs, and other cannabis-related advertising methods.
- (((3))) (7) Nothing in this section prohibits the use of other signage that does not represent cannabis or cannabis products, the business trade name, nature of the business, or contains only general information not related to the products or services of the cannabis business.
- (8) A cannabis licensee may not utilize transit advertisements for the purpose of advertising its business or product line. (("Transit advertisements" means advertising on or within private or public vehicles and all advertisements placed at, on, or within any bus stop, taxi stand, transportation waiting area, train station, airport, or any similar transit-related location.
- (4))) (9) A cannabis licensee may not engage in advertising or other marketing practice that specifically targets persons residing outside of the state of Washington.
- (((5) All signs, billboards, or other print advertising)) (10)

 Any advertisement for a cannabis ((businesses)) business or cannabis products, regardless of the form of medium used, must contain text ((stating that cannabis products may be purchased or possessed only by persons twenty-one)) indicating that only persons 21 years of age or older may purchase or possess cannabis products. The text must be of a reasonable size to be easily read by consumers. This subsection does not apply to trade name signs.

 $((\frac{6}{1}))$ A cannabis licensee may not:

- (a) Take any action, directly or indirectly, to target youth in the advertising, promotion, or marketing of cannabis and cannabis products, or take any action the primary purpose of which is to initiate, maintain, or increase the incidence of youth use of cannabis or cannabis products;
- (b) Use objects such as toys or inflatables, movie or cartoon characters, or any other depiction or image likely to be appealing to ((youth)) persons under 21 years of age, where such objects, images, or depictions indicate an intent to cause youth to become interested in the purchase or consumption of cannabis products; ((order extractions))

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

- (d) Advertise, offer for sale, or sell cannabis at less than acquisition cost. This subsection does not apply to any sales made for a product designated for medical cannabis use by qualifying patients as defined in RCW 69.51A.010.
- (12) A cannabis licensee that engages in outdoor advertising is subject to the advertising requirements and restrictions set forth in this subsection (((7))) and elsewhere in this chapter.
- (a) All outdoor advertising signs, including billboards, are limited to text that identifies the retail outlet by the licensee's business or trade name, states the location of the business, and identifies the type or nature of the business. Such signs may not contain any depictions of cannabis plants, cannabis products, or images that might be appealing to children. The board is granted rule-making authority to regulate the text and images that are permissible on outdoor advertising. Such rule making must be consistent with other administrative rules generally applicable to the advertising of cannabis businesses and products.
 - (b) Outdoor advertising is prohibited:
- (i) On signs and placards in arenas, stadiums, shopping malls, fairs that receive state allocations, farmers markets, and video game arcades, whether any of the foregoing are open air or enclosed, but not including any such sign or placard located in ((an adult only facility)) an age-restricted area classified by the board as off-limits to persons under 21 years of age; and
- (ii) Billboards that are visible from any street, road, highway, right-of-way, or public parking area are prohibited, except as provided in (c) of this subsection.
- (c) Licensed retail outlets may use a billboard or outdoor sign solely for the purpose of identifying the name of the business, the

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- nature of the business, and providing the public with directional information to the licensed retail outlet. Billboard advertising is subject to the same requirements and restrictions as set forth in (a) of this subsection.
- 5 (d) Advertising signs within the premises of a retail cannabis 6 business outlet that are <u>clearly</u> visible to the public from outside 7 the premises must meet the signage regulations and requirements 8 applicable to outdoor signs as set forth in this section.
 - (e) The restrictions and regulations applicable to outdoor advertising under this section are not applicable to:
 - (i) An advertisement inside a licensed retail establishment that sells cannabis products that is not placed on the inside surface of a window facing outward; or
 - (ii) An outdoor advertisement at the site of an event to be held ((at an adult only facility)) in an area classified by the board as off-limits to persons under 21 years of age that is placed at such site during the period the facility or enclosed area ((constitutes an adult only facility)) is classified as age-restricted by the board, but in no event more than fourteen days before the event, and that does not advertise any cannabis product other than by using a brand name to identify the event.
- 22 (((8) Merchandising)) <u>(13) Placement of products</u> within a retail 23 outlet is not advertising for the purposes of this section.
- $((\frac{(9)}{}))$ <u>(14)</u> This section does not apply to a noncommercial 25 message.
 - (15) "Adopt-a-Highway" signs erected by the Washington state department of transportation under a current valid sponsorship with the department of transportation are not considered advertising for the purposes of this section.

 $((\frac{10}{10}))$ <u>(16)</u> (a) The board must:

- (i) Adopt rules implementing this section and specifically including provisions regulating the billboards and outdoor signs authorized under this section; and
- (ii) Fine a licensee one thousand dollars for each violation of this section until the board adopts rules prescribing penalties for violations of this section. The rules must establish escalating penalties including fines and up to suspension or revocation of a cannabis license for subsequent violations.
- 39 (b) Fines collected under this subsection must be deposited into 40 the dedicated cannabis account created under RCW 69.50.530.

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 $((\frac{(11)}{(11)}))$ $\underline{(17)}$ A city, town, or county may adopt rules of outdoor advertising by licensed cannabis retailers that are more restrictive than the advertising restrictions imposed under this chapter. Enforcement of restrictions to advertising by a city, town, or county is the responsibility of the city, town, or county.

- (18) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
- (a) "Commercial mascot" means a live human being, animal, or mechanical device used for attracting the attention of motorists and passersby so as to make them aware of cannabis products or the presence of a cannabis business. Commercial mascots include, but are not limited to, inflatable tube displays, persons in costume, or wearing, holding, or spinning a sign with a cannabis-related commercial message or image, where the intent is to draw attention to a cannabis business or its products.
- 16 <u>(b) "Trade name" means the name as it appears on the license</u> 17 issued to the licensee.
- 18 (c) "Transit advertisements" means advertising on or within
 19 private or public vehicles and all advertisements placed at, on, or
 20 within any bus stop, taxi stand, transportation waiting area, train
 21 station, airport, or any similar transit-related location.

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