

SB 5363 - S AMD 510

By Senator MacEwen

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 licensed cannabis producer, processor, researcher, or
6 retailer may place or maintain, or cause to be placed or maintained,
7 any sign or other advertisement for a cannabis business or cannabis
8 product, including useable cannabis, cannabis concentrates, or
9 cannabis-infused product, in any form or through any medium
10 whatsoever within one thousand feet of the perimeter of a school
11 grounds, playground, recreation center or facility, child care
12 center, public park, or library, or any game arcade admission (~~to~~
13 ~~which is not restricted to persons aged twenty-one years or older~~)
14 that allows admittance of persons under the age of 21.

15 (2) (a) Except for the use of trade name signs and billboards as
16 authorized under this section, licensed cannabis retailers may not
17 display any cannabis-related advertising signage outside of the
18 licensed premises, other than (~~two signs identifying the retail~~
19 ~~outlet by the licensee's business or trade name, stating the location~~
20 ~~of the business, and identifying the nature of the business~~) four
21 signs.

22 (b) Each advertisement sign must be no larger than one thousand
23 six hundred square inches and be (~~permanently affixed to a building~~
24 ~~or other structure~~):

25 (i) Affixed on the building of the licensed location; or

26 (ii) Hanging in the windows of the licensed location.

27 (c) Any advertising signs that are visible to the public from the
28 public right-of-way, whether on the building or through a window of
29 the building, will be considered advertising for the purposes of this
30 section.

31 (d) Signs that are less than 512 square inches are not considered
32 advertising for purposes of this section if the sign does not include

1 any brand names, trade names, or images of any cannabis product and
2 only indicates information including, but not limited to:

- 3 (i) Hours of operation;
- 4 (ii) Whether the business is open or closed;
- 5 (iii) The presence of an ATM machine;
- 6 (iv) The word "welcome";
- 7 (v) Required signs or notices; and
- 8 (vi) Community notices.

9 (3) (a) In addition to the four signs described in subsection (2)
10 of this section, licensed businesses may use separate trade name
11 signs.

12 (b) Trade name signs must comply with local authority regulations
13 related to the size and number of signs for the city, town, or county
14 in which the licensed cannabis retailer is located. The enforcement
15 of the size and number of trade name signs and billboards is the
16 responsibility of the city, town, or county in which the licensed
17 cannabis retailer is located.

18 (c) Trade name signs may only reflect the trade name of the
19 licensed business and may not contain cannabis products or product
20 brand names.

21 (4) All signage, advertising, and billboard content is prohibited
22 if the content portrays:

- 23 (a) Alcohol or its use;
- 24 (b) Tobacco or nicotine or its use; or
- 25 (c) Any association with a motor vehicle or operation of a motor
26 vehicle.

27 (5) Any cannabis-related advertising in any business licensed by
28 the board under Title 66 RCW or chapter 70.345, 82.24, or 82.26 RCW
29 is prohibited.

30 (6) The location and content of the retail cannabis signs
31 authorized under ((this)) subsection (2) of this section are subject
32 to all other requirements and restrictions established in this
33 section for indoor signs, outdoor signs, and other cannabis-related
34 advertising methods.

35 ((3)) (7) Nothing in this section prohibits the use of other
36 signage that does not represent cannabis or cannabis products, the
37 business trade name, nature of the business, or contains only general
38 information not related to the products or services of the cannabis
39 business.

1 (8) A cannabis licensee may not utilize transit advertisements
2 for the purpose of advertising its business or product line.
3 (~~"Transit advertisements" means advertising on or within private or~~
4 ~~public vehicles and all advertisements placed at, on, or within any~~
5 ~~bus stop, taxi stand, transportation waiting area, train station,~~
6 ~~airport, or any similar transit-related location.~~

7 ~~(4))~~ (9) A cannabis licensee may not engage in advertising or
8 other marketing practice that specifically targets persons residing
9 outside of the state of Washington.

10 ~~((5) All signs, billboards, or other print advertising))~~ (10)
11 Any advertisement for a cannabis ((businesses)) business or cannabis
12 products, regardless of the form of medium used, must contain text
13 ((stating that cannabis products may be purchased or possessed only
14 by persons twenty-one)) indicating that only persons 21 years of age
15 or older may purchase or possess cannabis products. The text must be
16 of a reasonable size to be easily read by consumers. This subsection
17 does not apply to trade name signs.

18 ~~((6))~~ (11) A cannabis licensee may not:

19 (a) Take any action, directly or indirectly, to target youth in
20 the advertising, promotion, or marketing of cannabis and cannabis
21 products, or take any action the primary purpose of which is to
22 initiate, maintain, or increase the incidence of youth use of
23 cannabis or cannabis products;

24 (b) Use objects such as toys or inflatables, movie or cartoon
25 characters, or any other depiction or image likely to be appealing to
26 ~~((youth))~~ persons under 21 years of age, where such objects, images,
27 or depictions indicate an intent to cause youth to become interested
28 in the purchase or consumption of cannabis products; ~~((or))~~

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

39 ~~(7))~~; or

1 (d) Advertise, offer for sale, or sell cannabis at less than
2 acquisition cost. This subsection does not apply to any sales made
3 for a product designated for medical cannabis use by qualifying
4 patients as defined in RCW 69.51A.010.

5 (12) A cannabis licensee that engages in outdoor advertising is
6 subject to the advertising requirements and restrictions set forth in
7 this subsection (~~((7))~~) and elsewhere in this chapter.

8 (a) All outdoor advertising signs, including billboards, are
9 limited to text that identifies the retail outlet by the licensee's
10 business or trade name, states the location of the business, and
11 identifies the type or nature of the business. Such signs may not
12 contain any depictions of cannabis plants, cannabis products, or
13 images that might be appealing to children. The board is granted
14 rule-making authority to regulate the text and images that are
15 permissible on outdoor advertising. Such rule making must be
16 consistent with other administrative rules generally applicable to
17 the advertising of cannabis businesses and products.

18 (b) Outdoor advertising is prohibited:

19 (i) On signs and placards in arenas, stadiums, shopping malls,
20 fairs that receive state allocations, farmers markets, and video game
21 arcades, whether any of the foregoing are open air or enclosed, but
22 not including any such sign or placard located in (~~(an adult only~~
23 ~~facility)) an age-restricted area classified by the board as off-
24 limits to persons under 21 years of age; and~~

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

28 (c) Licensed retail outlets may use a billboard or outdoor sign
29 solely for the purpose of identifying the name of the business, the
30 nature of the business, and providing the public with directional
31 information to the licensed retail outlet. Billboard advertising is
32 subject to the same requirements and restrictions as set forth in (a)
33 of this subsection.

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

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

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

4 (ii) An outdoor advertisement at the site of an event to be held
5 (~~(at an adult only facility)~~) in an area classified by the board as
6 off-limits to persons under 21 years of age that is placed at such
7 site during the period the facility or enclosed area (~~constitutes an~~
8 ~~adult only facility~~) is classified as age-restricted by the board,
9 but in no event more than fourteen days before the event, and that
10 does not advertise any cannabis product other than by using a brand
11 name to identify the event.

12 (~~(8) Merchandising~~) (13) Placement of products within a retail
13 outlet is not advertising for the purposes of this section.

14 (~~(9)~~) (14) This section does not apply to (a):

15 (a) Adopt-a-highway signs erected by the Washington state
16 department of transportation under a valid sponsorship with the
17 department of transportation; or

18 (b) A noncommercial message.

19 (~~(10)~~) (15)(a) The board must:

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

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

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

30 (~~(11)~~) (16) A city, town, or county may adopt rules of outdoor
31 advertising by licensed cannabis retailers that are more restrictive
32 than the advertising restrictions imposed under this chapter.
33 Enforcement of restrictions to advertising by a city, town, or county
34 is the responsibility of the city, town, or county.

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

37 (a) "Commercial mascot" means a live human being, animal, or
38 mechanical device used for attracting the attention of motorists and
39 passersby so as to make them aware of cannabis products or the
40 presence of a cannabis business. Commercial mascots include, but are

1 not limited to, inflatable tube displays, persons in costume, or
2 wearing, holding, or spinning a sign with a cannabis-related
3 commercial message or image, where the intent is to draw attention to
4 a cannabis business or its products.

5 (b) "Trade name" means the name as it appears on the license
6 issued to the licensee.

7 (c) "Transit advertisements" means advertising on or within
8 private or public vehicles and all advertisements placed at, on, or
9 within any bus stop, taxi stand, transportation waiting area, train
10 station, airport, or any similar transit-related location."

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11 On page 1, line 1 of the title, after "advertising;" strike the
12 remainder of the title and insert "and amending RCW 69.50.369."

EFFECT: • Reinstates the size limitation for signs of 1,600 square inches.

• Removes the bill's provisions that prohibit the Liquor and Cannabis Board (LCB) from regulating the size of retail signs, whether indoor or outdoor, and billboards for licensed cannabis retailers. The LCB's rule-making authority regarding any other advertising requirements is not affected. Retailers are subject to local government's size requirements for retail signs and billboards.

• Modifies the restriction on location of signs close to certain locations, such as schools and parks, from those not restricted to persons 21 and older, to those which allow persons 21 and under.

• Increases the number of cannabis signage to four signs, from two signs, which must be affixed to the building or hanging in the windows.

• Prohibits advertising: (1) If the content portrays alcohol, tobacco, or its use; or any association with motor vehicles; and (2) in certain other LCB licensed businesses.

• Allows unrestricted trade name signs, which must comply with local regulations of the size and number of signs; and considers signs of less than 512 square inches with limited information, such as hours of operation, not to be advertising.

• Requires text in advertisement indicating only persons 21 years or older may purchase or possess cannabis be in reasonable size to be easily read by consumers; and modifies the term "youth" to "persons under 21 years of age" and the term "adult only facility" to "any age-restricted area classified by the board as off-limits to persons under 21 years of age."

• Prohibits advertising cannabis for sale at less than acquisition cost.

• Modifies "visible" to the public from outside related to meeting outdoor signage requirements, to "clearly visible."

- Provides that adopt-a-highway signs are not considered advertising.

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