### PROPOSAL BILL LANGUAGE

### RCW [69.50.101](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.101)

### Definitions.

\*\*\* CHANGE IN 2023 \*\*\* (SEE [**5367-S2.SL**](http://lawfilesext.leg.wa.gov/biennium/2023-24/Pdf/Bills/Session%20Laws/Senate/5367-S2.SL.pdf)) \*\*\*

\*\*\* CHANGE IN 2023 \*\*\* (SEE [**5080-S2.SL**](http://lawfilesext.leg.wa.gov/biennium/2023-24/Pdf/Bills/Session%20Laws/Senate/5080-S2.SL.pdf)) \*\*\*

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(a) "Administer" means to apply a controlled substance, whether by injection, inhalation, ingestion, or any other means, directly to the body of a patient or research subject by:

(1) a practitioner authorized to prescribe (or, by the practitioner's authorized agent); or

(2) the patient or research subject at the direction and in the presence of the practitioner.

(b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser. It does not include a common or contract carrier, public warehouseperson, or employee of the carrier or warehouseperson.

(c) "Board" means the Washington state liquor and cannabis board.

(d) "Cannabis" means all parts of the plant *Cannabis*, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include:

(1) The mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination; or

(2) Hemp or industrial hemp as defined in RCW [**15.140.020**](http://app.leg.wa.gov/RCW/default.aspx?cite=15.140.020), seeds used for licensed hemp production under chapter [**15.140**](http://app.leg.wa.gov/RCW/default.aspx?cite=15.140) RCW.

(e) "Cannabis concentrates" means products consisting wholly or in part of the resin extracted from any part of the plant *Cannabis* and having a THC concentration greater than ten percent.

(f) "Cannabis processor" means a person licensed by the board to process cannabis into cannabis concentrates, useable cannabis, and cannabis-infused products, package and label cannabis concentrates, useable cannabis, and cannabis-infused products for sale in retail outlets, and sell cannabis concentrates, useable cannabis, and cannabis-infused products at wholesale to cannabis retailers.

(g) "Cannabis producer" means a person licensed by the board to produce and sell cannabis at wholesale to cannabis processors and other cannabis producers, and produce usable cannabis for a qualifying patient, as defined in RCW 69.51A.010, under a cannabis growing service contract.

(h) "Cannabis products" means useable cannabis, cannabis concentrates, and cannabis-infused products as defined in this section.

(i) "Cannabis researcher" means a person licensed by the board to produce, process, and possess cannabis for the purposes of conducting research on cannabis and cannabis-derived drug products.

(j) "Cannabis retailer" means a person licensed by the board to sell cannabis concentrates, useable cannabis, and cannabis-infused products in a retail outlet.

(k) "Cannabis-infused products" means products that contain cannabis or cannabis extracts, are intended for human use, are derived from cannabis as defined in subsection (d) of this section, and have a THC concentration no greater than ten percent. The term "cannabis-infused products" does not include either useable cannabis or cannabis concentrates.

(l) "CBD concentration" has the meaning provided in RCW [**69.51A.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.010).

(m) "CBD product" means any product containing or consisting of cannabidiol.

(n) "Commission" means the pharmacy quality assurance commission.

(o) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or commission rules, but does not include hemp or industrial hemp as defined in RCW [**15.140.020**](http://app.leg.wa.gov/RCW/default.aspx?cite=15.140.020).

(p)(1) "Controlled substance analog" means a substance the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II and:

(i) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II; or

(ii) with respect to a particular individual, that the individual represents or intends to have a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II.

(2) The term does not include:

(i) a controlled substance;

(ii) a substance for which there is an approved new drug application;

(iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 355, or chapter [**69.77**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.77) RCW to the extent conduct with respect to the substance is pursuant to the exemption; or

(iv) any substance to the extent not intended for human consumption before an exemption takes effect with respect to the substance.

(q) "Deliver" or "delivery" means the actual or constructive transfer from one person to another of a substance, whether or not there is an agency relationship.

(r) "Department" means the department of health.

(s) "Designated provider" has the meaning provided in RCW [**69.51A.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.010).

(t) "Dispense" means the interpretation of a prescription or order for a controlled substance and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(u) "Dispenser" means a practitioner who dispenses.

(v) "Distribute" means to deliver other than by administering or dispensing a controlled substance.

(w) "Distributor" means a person who distributes.

(x) "Drug" means (1) a controlled substance recognized as a drug in the official United States pharmacopoeia/national formulary or the official homeopathic pharmacopoeia of the United States, or any supplement to them; (2) controlled substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in individuals or animals; (3) controlled substances (other than food) intended to affect the structure or any function of the body of individuals or animals; and (4) controlled substances intended for use as a component of any article specified in (1), (2), or (3) of this subsection. The term does not include devices or their components, parts, or accessories.

(y) "Drug enforcement administration" means the drug enforcement administration in the United States Department of Justice, or its successor agency.

(z) "Electronic communication of prescription information" means the transmission of a prescription or refill authorization for a drug of a practitioner using computer systems. The term does not include a prescription or refill authorization verbally transmitted by telephone nor a facsimile manually signed by the practitioner.

(aa) "Immature plant or clone" means a plant or clone that has no flowers, is less than twelve inches in height, and is less than twelve inches in diameter.

(bb) "Immediate precursor" means a substance:

(1) that the commission has found to be and by rule designates as being the principal compound commonly used, or produced primarily for use, in the manufacture of a controlled substance;

(2) that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance; and

(3) the control of which is necessary to prevent, curtail, or limit the manufacture of the controlled substance.

(cc) "Isomer" means an optical isomer, but in subsection (gg)(5) of this section, RCW [**69.50.204**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.204)(a) (12) and (34), and [**69.50.206**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.206)(b)(4), the term includes any geometrical isomer; in RCW [**69.50.204**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.204)(a) (8) and (42), and [**69.50.210**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.210)(c) the term includes any positional isomer; and in RCW [**69.50.204**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.204)(a)(35), [**69.50.204**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.204)(c), and [**69.50.208**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.208)(a) the term includes any positional or geometric isomer.

(dd) "Lot" means a definite quantity of cannabis, cannabis concentrates, useable cannabis, or cannabis-infused product identified by a lot number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.

(ee) "Lot number" must identify the licensee by business or trade name and Washington state unified business identifier number, and the date of harvest or processing for each lot of cannabis, cannabis concentrates, useable cannabis, or cannabis-infused product.

(ff) "Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container. The term does not include the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled substance:

(1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled substance in the course of the practitioner's professional practice; or

(2) by a practitioner, or by the practitioner's authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

(gg) "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(1) Opium, opium derivative, and any derivative of opium or opium derivative, including their salts, isomers, and salts of isomers, whenever the existence of the salts, isomers, and salts of isomers is possible within the specific chemical designation. The term does not include the isoquinoline alkaloids of opium.

(2) Synthetic opiate and any derivative of synthetic opiate, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, and salts is possible within the specific chemical designation.

(3) Poppy straw and concentrate of poppy straw.

(4) Coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives or ecgonine or their salts have been removed.

(5) Cocaine, or any salt, isomer, or salt of isomer thereof.

(6) Cocaine base.

(7) Ecgonine, or any derivative, salt, isomer, or salt of isomer thereof.

(8) Any compound, mixture, or preparation containing any quantity of any substance referred to in (1) through (7) of this subsection.

(hh) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW [**69.50.201**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.201), the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.

(ii) "Opium poppy" means the plant of the species Papaver somniferum L., except its seeds.

(jj) "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.

(kk) "Plant" has the meaning provided in RCW [**69.51A.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.010).

(ll) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

(mm) "Practitioner" means:

(1) A physician under chapter [**18.71**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.71) RCW; a physician assistant under chapter [**18.71A**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.71A) RCW; an osteopathic physician and surgeon under chapter [**18.57**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.57) RCW; an optometrist licensed under chapter [**18.53**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.53) RCW who is certified by the optometry board under RCW [**18.53.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.53.010) subject to any limitations in RCW [**18.53.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.53.010); a dentist under chapter [**18.32**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.32) RCW; a podiatric physician and surgeon under chapter [**18.22**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.22) RCW; a veterinarian under chapter [**18.92**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.92) RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter [**18.79**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.79) RCW; a naturopathic physician under chapter [**18.36A**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.36A) RCW who is licensed under RCW [**18.36A.030**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.36A.030) subject to any limitations in RCW [**18.36A.040**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.36A.040); a pharmacist under chapter [**18.64**](http://app.leg.wa.gov/RCW/default.aspx?cite=18.64) RCW or a scientific investigator under this chapter, licensed, registered or otherwise permitted insofar as is consistent with those licensing laws to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of their professional practice or research in this state.

(2) A pharmacy, hospital or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state.

(3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed physician assistant or a licensed osteopathic physician assistant specifically approved to prescribe controlled substances by his or her state's medical commission or equivalent and his or her supervising physician, an advanced registered nurse practitioner licensed to prescribe controlled substances, or a veterinarian licensed to practice veterinary medicine in any state of the United States.

(nn) "Prescription" means an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.

(oo) "Production" includes the manufacturing, planting, cultivating, growing, or harvesting of a controlled substance.

(pp) "Qualifying patient" has the meaning provided in RCW [**69.51A.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.010).

(qq) "Recognition card" has the meaning provided in RCW [**69.51A.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.010).

(rr) "Retail outlet" means a location licensed by the board for the retail sale of cannabis concentrates, useable cannabis, and cannabis-infused products.

(ss) "Secretary" means the secretary of health or the secretary's designee.

(tt) "State," unless the context otherwise requires, means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States.

(uu) "THC concentration" means percent of delta-9 tetrahydrocannabinol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of cannabis product, or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.

(vv) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for the use of a member of the individual's household or for administering to an animal owned by the individual or by a member of the individual's household.

(ww) "Useable cannabis" means dried cannabis flowers. The term "useable cannabis" does not include either cannabis-infused products or cannabis concentrates.

(xx) "Youth access" means the level of interest persons under the age of twenty-one may have in a vapor product, as well as the degree to which the product is available or appealing to such persons, and the likelihood of initiation, use, or addiction by adolescents and young adults.

**RCW**[**69.50.325**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.325)

**Cannabis producer's license, cannabis processor's license, cannabis retailer's license.**

(1) There shall be a cannabis producer's license regulated by the board and subject to annual renewal. The licensee is authorized to produce: (a) Cannabis for sale at wholesale to cannabis processors and other cannabis producers; (b) immature plants or clones and seeds for sale to cooperatives as described under RCW [**69.51A.250**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.250); (c) immature plants or clones and seeds for sale to qualifying patients and designated providers as provided under RCW [**69.51A.310**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.310); and (d) usable cannabis under a production service contract between the licensed producer and a qualifying patient as defined in RCW 69.51A.010, or a designated provider who is the parent or guardian of a qualifying patient under the age of 18 as described in RCW 69.51A.220 if: (i) the production of cannabis occurs on the licensed premises, (ii) the qualifying patient has been entered into the medical cannabis authorization database and holds a valid recognition card. The production, possession, delivery, distribution, and sale of cannabis in accordance with the provisions of this chapter and the rules adopted to implement and enforce it, by a validly licensed cannabis producer, shall not be a criminal or civil offense under Washington state law. Every cannabis producer's license shall be issued in the name of the applicant, shall specify the location at which the cannabis producer intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a cannabis producer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a cannabis producer's license shall be one thousand three hundred eighty-one dollars. A separate license shall be required for each location at which a cannabis producer intends to produce cannabis.

(2) There shall be a cannabis processor's license to process, package, and label cannabis concentrates, useable cannabis, and cannabis-infused products for sale at wholesale to cannabis processors and cannabis retailers, regulated by the board and subject to annual renewal. The processing, packaging, possession, delivery, distribution, and sale of cannabis, useable cannabis, cannabis-infused products, and cannabis concentrates in accordance with the provisions of this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW and the rules adopted to implement and enforce these chapters, by a validly licensed cannabis processor, shall not be a criminal or civil offense under Washington state law. Every cannabis processor's license shall be issued in the name of the applicant, shall specify the location at which the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a cannabis processor's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a cannabis processor's license shall be one thousand three hundred eighty-one dollars. A separate license shall be required for each location at which a cannabis processor intends to process cannabis.

(3)(a) There shall be a cannabis retailer's license to sell cannabis concentrates, useable cannabis, and cannabis-infused products at retail in retail outlets, regulated by the board and subject to annual renewal. The possession, delivery, distribution, and sale of cannabis concentrates, useable cannabis, and cannabis-infused products in accordance with the provisions of this chapter and the rules adopted to implement and enforce it, by a validly licensed cannabis retailer, shall not be a criminal or civil offense under Washington state law. Every cannabis retailer's license shall be issued in the name of the applicant, shall specify the location of the retail outlet the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a cannabis retailer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a cannabis retailer's license shall be one thousand three hundred eighty-one dollars. A separate license shall be required for each location at which a cannabis retailer intends to sell cannabis concentrates, useable cannabis, and cannabis-infused products.

(b) An individual retail licensee and all other persons or entities with a financial or other ownership interest in the business operating under the license are limited, in the aggregate, to holding a collective total of not more than five retail cannabis licenses.

(c)(i) A cannabis retailer's license is subject to forfeiture in accordance with rules adopted by the board pursuant to this section.

(ii) The board shall adopt rules to establish a license forfeiture process for a licensed cannabis retailer that is not fully operational and open to the public within a specified period from the date of license issuance, as established by the board, subject to the following restrictions:

(A) No cannabis retailer's license may be subject to forfeiture within the first nine months of license issuance; and

(B) The board must require license forfeiture on or before twenty-four calendar months of license issuance if a cannabis retailer is not fully operational and open to the public, unless the board determines that circumstances out of the licensee's control are preventing the licensee from becoming fully operational and that, in the board's discretion, the circumstances warrant extending the forfeiture period beyond twenty-four calendar months.

(iii) The board has discretion in adopting rules under this subsection (3)(c).

(iv) This subsection (3)(c) applies to cannabis retailer's licenses issued before and after July 23, 2017. However, no license of a cannabis retailer that otherwise meets the conditions for license forfeiture established pursuant to this subsection (3)(c) may be subject to forfeiture within the first nine calendar months of July 23, 2017.

(v) The board may not require license forfeiture if the licensee has been incapable of opening a fully operational retail cannabis business due to actions by the city, town, or county with jurisdiction over the licensee that include any of the following:

(A) The adoption of a ban or moratorium that prohibits the opening of a retail cannabis business; or

(B) The adoption of an ordinance or regulation related to zoning, business licensing, land use, or other regulatory measure that has the effect of preventing a licensee from receiving an occupancy permit from the jurisdiction or which otherwise prevents a licensed cannabis retailer from becoming operational.

(d) The board may issue cannabis retailer licenses pursuant to this chapter and RCW [**69.50.335**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.335).

### RCW [69.50.342](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.342)

### State liquor and cannabis board—Rules.

(1) For the purpose of carrying into effect the provisions of chapter 3, Laws of 2013 according to their true intent or of supplying any deficiency therein, the board may adopt rules not inconsistent with the spirit of chapter 3, Laws of 2013 as are deemed necessary or advisable. Without limiting the generality of the preceding sentence, the board is empowered to adopt rules regarding the following:

(a) The equipment and management of retail outlets and premises where cannabis is produced or processed, and inspection of the retail outlets and premises where cannabis is produced or processed;

(b) The books and records to be created and maintained by licensees, the reports to be made thereon to the board, and inspection of the books and records;

(c) Methods of producing, processing, and packaging cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products; conditions of sanitation; safe handling requirements; approved pesticides and pesticide testing requirements; and standards of ingredients, quality, and identity of cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products produced, processed, packaged, or sold by licensees;

(d) Security requirements for retail outlets and premises where cannabis is produced or processed, and safety protocols for licensees and their employees;

(e) Screening, hiring, training, and supervising employees of licensees;

(f) Retail outlet locations and hours of operation;

(g) Labeling requirements and restrictions on advertisement of cannabis, useable cannabis, cannabis concentrates, cannabis health and beauty aids, and cannabis-infused products for sale in retail outlets;

(h) Forms to be used for purposes of this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW or the rules adopted to implement and enforce these chapters, the terms and conditions to be contained in licenses issued under this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW, and the qualifications for receiving a license issued under this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW, including a criminal history record information check. The board may submit any criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

(i) Application, reinstatement, and renewal fees for licenses issued under this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW, and fees for anything done or permitted to be done under the rules adopted to implement and enforce this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW;

(j) The manner of giving and serving notices required by this chapter and chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW or rules adopted to implement or enforce these chapters;

(k) Times and periods when, and the manner, methods, and means by which, licensees transport and deliver cannabis, cannabis concentrates, useable cannabis, and cannabis-infused products within the state;

(l) Identification, seizure, confiscation, destruction, or donation to law enforcement for training purposes of all cannabis, cannabis concentrates, useable cannabis, and cannabis-infused products produced, processed, sold, or offered for sale within this state which do not conform in all respects to the standards prescribed by this chapter or chapter [**69.51A**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A) RCW or the rules adopted to implement and enforce these chapters;

(m) The prohibition of any type of device used in conjunction with a cannabis vapor product and the prohibition of the use of any type of additive, solvent, ingredient, or compound in the production and processing of cannabis products, including cannabis vapor products, when the board determines, following consultation with the department of health or any other authority the board deems appropriate, that the device, additive, solvent, ingredient, or compound may pose a risk to public health or youth access; and

(n) Requirements for processors to submit under oath to the department of health a complete list of all constituent substances and the amount and sources thereof in each cannabis vapor product, including all additives, thickening agents, preservatives, compounds, and any other substance used in the production and processing of each cannabis vapor product.

(2) Rules adopted on retail outlets holding medical cannabis endorsements must be adopted in coordination and consultation with the department.

(3) Rules adopted on producer growing service contracts with qualifying patients must be adopted in coordination and consultation with the department.

(4) The board must adopt rules to perfect and expand existing programs for compliance education for licensed cannabis businesses and their employees. The rules must include a voluntary compliance program created in consultation with licensed cannabis businesses and their employees. The voluntary compliance program must include recommendations on abating violations of this chapter and rules adopted under this chapter.

**RCW**[**69.50.366**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.366)

**Cannabis producers, employees—Certain acts not criminal or civil offenses.**

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

(1) Production or possession of quantities of cannabis that do not exceed the maximum amounts established by the board under RCW [**69.50.345**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.345)(3);

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

(3) Delivery, distribution, and sale of immature plants or clones and cannabis seeds to a licensed cannabis researcher, and to receive or purchase immature plants or clones and seeds from a licensed cannabis researcher;

(4) Production and processing of usable cannabis for qualifying patients participating in a production service contract in accordance with RCW 69.50.325(1) so long as the release of contracted product at one time does not exceed the maximum possession limits established in RCW 69.51A.210, and

(5) Delivery, distribution, and sale of cannabis or useable cannabis to a federally recognized Indian tribe as permitted under an agreement between the state and the tribe entered into under RCW [**43.06.490**](http://app.leg.wa.gov/RCW/default.aspx?cite=43.06.490).

**RCW**[**69.50.380**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.380)

**Cannabis producers, processors, retailers prohibited from making certain sales of cannabis, cannabis products.**

(1) Cannabis producers, processors, and retailers are prohibited from making sales of any cannabis or cannabis product, if the sale of the cannabis or cannabis product is conditioned upon the buyer's purchase of any service or noncannabis product. This subsection applies whether the buyer purchases such service or noncannabis product at the time of sale of the cannabis or cannabis product, or in a separate transaction.

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

(a) "Cannabis product" means "useable cannabis," "cannabis concentrates," and "cannabis-infused products," as those terms are defined in RCW [**69.50.101**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.101).

(b) "Noncannabis product" includes paraphernalia, promotional items, lighters, bags, boxes, containers, and such other items as may be identified by the board.

(c) "Selling price" has the same meaning as in RCW [**69.50.535**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.535).

(d) "Service" includes memberships and any other services identified by the board.

(3) Usable cannabis produced under a contract for qualified medical cannabis patients in compliance with RCW 69.50.325 is exempt from this section.

### RCW [69.50.535](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.535)

### Cannabis excise tax—State liquor and cannabis board to review tax level—Reports—State and federal antitrust laws.

(1)(a) There is levied and collected a cannabis excise tax equal to thirty-seven percent of the selling price on each retail sale in this state of cannabis concentrates, useable cannabis, and cannabis-infused products. This tax is separate and in addition to general state and local sales and use taxes that apply to retail sales of tangible personal property, and is not part of the total retail price to which general state and local sales and use taxes apply. The tax must be separately itemized from the state and local retail sales tax on the sales receipt provided to the buyer.

(b) The tax levied in this section must be reflected in the price list or quoted shelf price in the licensed cannabis retail store and in any advertising that includes prices for all useable cannabis, cannabis concentrates, or cannabis-infused products.

(2) All revenues collected from the cannabis excise tax imposed under this section must be deposited each day in the dedicated cannabis account.

(3) The tax imposed in this section must be paid by the buyer to the seller. Each seller must collect from the buyer the full amount of the tax payable on each taxable sale. The tax collected as required by this section is deemed to be held in trust by the seller until paid to the board. If any seller fails to collect the tax imposed in this section or, having collected the tax, fails to pay it as prescribed by the board, whether such failure is the result of the seller's own acts or the result of acts or conditions beyond the seller's control, the seller is, nevertheless, personally liable to the state for the amount of the tax.

(4) Usable cannabis produced by a licensed cannabis producer under a growing service contract in accordance with RCW 69.50.325 with a qualifying patient as defined in RCW 69.51A.010 and released to the qualifying patient from the licensed location shall not be considered a sale of cannabis and is exempt from taxes identified in this section.

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

(a) "Board" means the state liquor and cannabis board.

(b) "Retail sale" has the same meaning as in RCW [**82.08.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=82.08.010).

(c) "Selling price" has the same meaning as in RCW [**82.08.010**](http://app.leg.wa.gov/RCW/default.aspx?cite=82.08.010), except that when product is sold under circumstances where the total amount of consideration paid for the product is not indicative of its true value, "selling price" means the true value of the product sold.

(d) "Product" means cannabis, cannabis concentrates, useable cannabis, and cannabis-infused products.

(e) "True value" means market value based on sales at comparable locations in this state of the same or similar product of like quality and character sold under comparable conditions of sale to comparable purchasers. However, in the absence of such sales of the same or similar product, true value means the value of the product sold as determined by all of the seller's direct and indirect costs attributable to the product.

(6)(a) The board must regularly review the tax level established under this section and make recommendations, in consultation with the department of revenue, to the legislature as appropriate regarding adjustments that would further the goal of discouraging use while undercutting illegal market prices.

(b) The board must report, in compliance with RCW [**43.01.036**](http://app.leg.wa.gov/RCW/default.aspx?cite=43.01.036), to the appropriate committees of the legislature every two years. The report at a minimum must include the following:

(i) The specific recommendations required under (a) of this subsection;

(ii) A comparison of gross sales and tax collections prior to and after any cannabis tax change;

(iii) The increase or decrease in the volume of legal cannabis sold prior to and after any cannabis tax change;

(iv) Increases or decreases in the number of licensed cannabis producers, processors, and retailers;

(v) The number of illegal and noncompliant cannabis outlets the board requires to be closed;

(vi) Gross cannabis sales and tax collections in Oregon; and

(vii) The total amount of reported sales and use taxes exempted for qualifying patients. The department of revenue must provide the data of exempt amounts to the board.

(c) The board is not required to report to the legislature as required in (b) of this subsection after January 1, 2025.

(7) The legislature does not intend and does not authorize any person or entity to engage in activities or to conspire to engage in activities that would constitute per se violations of state and federal antitrust laws including, but not limited to, agreements among retailers as to the selling price of any goods sold.

**RCW**[**69.51A.210**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.210)

**Qualifying patients or designated providers—Authorization—Health care professional may include recommendations on amount of cannabis.**

As part of authorizing a qualifying patient or designated provider, the health care professional may include recommendations on the amount of cannabis that is likely needed by the qualifying patient for his or her medical needs and in accordance with this section.

(1) If the health care professional does not include recommendations on the qualifying patient's or designated provider's authorization, the cannabis retailer with a medical cannabis endorsement, when adding the qualifying patient or designated provider to the medical cannabis authorization database, shall enter into the database that the qualifying patient or designated provider may purchase or obtain at a retail outlet holding a medical cannabis endorsement a combination of the following: Forty-eight ounces of cannabis-infused product in solid form; three ounces of useable cannabis; two hundred sixteen ounces of cannabis-infused product in liquid form; or twenty-one grams of cannabis concentrates. The qualifying patient or designated provider may also grow, in his or her domicile, up to six plants for the personal medical use of the qualifying patient and possess up to eight ounces of useable cannabis produced from his or her plants. These amounts shall be specified on the recognition card that is issued to the qualifying patient or designated provider.

(2) If the health care professional determines that the medical needs of a qualifying patient exceed the amounts provided for in subsection (1) of this section, the health care professional must specify on the authorization that it is recommended that the patient be allowed to grow, in his or her domicile, up to fifteen plants for the personal medical use of the patient. A patient so authorized may possess up to sixteen ounces of useable cannabis in his or her domicile. The number of plants must be entered into the medical cannabis authorization database by the cannabis retailer with a medical cannabis endorsement and specified on the recognition card that is issued to the qualifying patient or designated provider.

(3) If a qualifying patient or designated provider with an authorization from a health care professional has not been entered into the medical cannabis authorization database, he or she may not receive a recognition card and may only purchase at a retail outlet, whether it holds a medical cannabis endorsement or not, the amounts established in RCW [**69.50.360**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.360). In addition the qualifying patient or the designated provider may grow, in his or her domicile, up to four plants for the personal medical use of the qualifying patient and possess up to six ounces of useable cannabis in his or her domicile.

(4) Nothing in this section shall prohibit a qualifying patient from contracting growing services with a licensed cannabis producer in accordance with RCW 69.50.325. (a) Qualifying patients holding a production contract with a licensed producer may also grow plants in his or her domicile, in accordance with this section. (b) Qualifying patients shall not take from a licensed producer usable cannabis in amounts exceeding established possession limits identified in RCW 69.51A.210.

**RCW**[**69.51A.310**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.51A.310)

**Immature plants and clones, cannabis seeds—Qualifying patients and designated providers may purchase.**

Qualifying patients and designated providers, who hold a recognition card and have been entered into the medical cannabis authorization database, may purchase immature plants or clones from a licensed cannabis producer as defined in RCW [**69.50.101**](http://app.leg.wa.gov/RCW/default.aspx?cite=69.50.101). Qualifying patients and designated providers may also purchase cannabis seeds from a licensed cannabis producer. Qualifying patients may also enter into a cannabis production contract with a licensed cannabis producer as described in RCW 69.50.325 to produce usable cannabis on the patient’s behalf.