AN ACT Relating to the medical use of cannabis; amending RCW 69.51A.010, 69.51A.030, 69.51A.040, 69.51A.047, 69.51A.050, 69.51A.055, 69.51A.060, 69.51A.085, 69.51A.110, 46.61.502, and 46.61.504; repealing RCW 69.51A.043; and prescribing penalties. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 69.51A.010 and 2010 c 284 s 2 are each amended to read as follows:

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

- (1) "Cannabis" means all parts of the plant *Cannabis*, whether growing or not; 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. For the purposes of this chapter, "cannabis" does not include 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. The term "cannabis" includes cannabis products and useable cannabis.
- (2) "Cannabis products" means products that contain cannabis or cannabis extracts, have a measurable THC concentration greater than three-tenths of one percent, and are intended for human consumption or application, including, but not limited to, edible products, tinctures, concentrates, topical creams, salves and other medical preparations. The term "cannabis products" does not include useable cannabis.
- (((1)))(3) "Designated provider" means a person who:
 - (a) Is eighteen years of age or older;
- (b) Has been designated in writing by a <u>qualifying</u> patient to serve as a designated provider under this chapter;
- (c) Is prohibited from consuming ((marijuana)) cannabis obtained for the personal, medical use of the patient for whom the individual is acting as designated provider;
 - (d) Is the designated provider to only one patient at any one time; and
 - (e) is in compliance with the terms and conditions set forth in RCW 69.51A.040
- (4) "Dispense" means the selection, measuring, packaging, labeling, delivery or retail sale of cannabis by an employee, volunteer, officer or operator of a licensed dispenser to a qualifying patient or designated provider.
- (5) "Dispensary" means the premises and equipment where cannabis is dispensed to qualifying patients and designated providers, including all vehicles and equipment used to transport cannabis from a licensed dispenser to a qualifying patient or designated provider.
- (((2))) (6) "Health care professional," for purposes of this chapter only, means a physician licensed under chapter 18.71 RCW, a physician assistant licensed under chapter 18.71A RCW, an osteopathic physician licensed under chapter 18.57 RCW, an osteopathic physicians' assistant licensed under chapter 18.57A RCW, a naturopath licensed under chapter 18.36A RCW, or an advanced registered nurse practitioner licensed under chapter 18.79 RCW.
- (7) "Labeling" means all labels or other written, printed or graphic matter (a) upon any cannabis intended for medical use, or (b) accompanying such cannabis.
- (8) "Licensed dispenser" means a person or entity with a Washington State business license issued by the Department of Revenue that dispenses cannabis for medical use to qualifying patients and designated providers.
- (9) "Licensed processor" means a person or entity with a Washington State business license issued by the Department of Revenue that processes cannabis for wholesale to a licensed dispenser.
- (10) "Licensed producer" means a person or entity with a Washington State business license issued by the Department of Revenue that produces cannabis for wholesale to a licensed processor or a licensed dispenser.
- (((3))) <u>(11)</u> "Medical use of ((marijuana)) <u>cannabis</u>" means the <u>manufacture</u>, production, possession, <u>transportation</u>, <u>delivery</u>, <u>dispensing</u>, <u>ingestion</u>, <u>application</u>, or administration of ((marijuana)) cannabis, as defined in RCW 69.50.101(q), for the exclusive benefit of a qualifying

patient in the treatment of his or her terminal or debilitating ((illness)) medical condition.

- (12) "Nonresident" means a person who is temporarily in the state but is not a Washington state resident.
- (13) "Plant" means an organism having at least three distinguishable and distinct leaves, each leaf being at least three centimeters in diameter, and a readily observable root formation consisting of at least two separate and distinct roots, each being at least two centimeters in length. Multiple stalks emanating from the same root ball or root system is considered part of the same single plant.
- (14) "Process" means to label, handle, infuse, extract or otherwise prepare cannabis for medical use.
- (15) "Processing facility" means the premises and equipment where cannabis products are processed for wholesale, delivery or transportation to licensed dispensers, including all vehicles and equipment used to transport cannabis products from a licensed processor to a licensed dispenser.
- (16) "Produce" means to plant, grow, harvest, store, handle, package or label cannabis for medical use.
- (17) "Production facility" means the premises and equipment where cannabis is produced for wholesale, delivery or transportation to licensed dispensers or licensed processors, including all vehicles and equipment used to transport cannabis from a licensed producer to a licensed processor or licensed dispenser.
- (((4))) (18) "Qualifying patient" means a person who:
 - (a) Is a patient of a health care professional;
- (b) Has been diagnosed by that health care professional as having a terminal or debilitating medical condition:
 - (c) Is a resident of the state of Washington at the time of such diagnosis;
- (d) Has been advised by that health care professional about the risks and benefits of the medical use of ((marijuana)) cannabis; and
- (e) Has been advised by that health care professional that they may benefit from the medical use of ((marijuana)) cannabis.
- (((5))) (19) "Tamper-resistant ((paper)) <u>document</u> means paper that meets one or more of the following industry-recognized features:
 - (a) One or more features designed to prevent copying of the paper;
- (b) One or more features designed to prevent the erasure or modification of information on the paper; or
 - (c) One or more features designed to prevent the use of counterfeit valid documentation.
- (((6))) (20) "Terminal or debilitating medical condition" means:
- (a) Cancer, human immunodeficiency virus (HIV), multiple sclerosis, epilepsy or other seizure disorder, or spasticity disorders; or
- (b) Intractable pain, limited for the purpose of this chapter to mean pain unrelieved by standard medical treatments and medications; or
- (c) Glaucoma, either acute or chronic, limited for the purpose of this chapter to mean increased intraocular pressure unrelieved by standard treatments and medications; or
- (d) Crohn's disease with debilitating symptoms unrelieved by standard treatments or medications; or
- (e) Hepatitis C with debilitating nausea or intractable pain unrelieved by standard treatments or medications; or
- (f) Diseases, including anorexia, which result in nausea, vomiting, ((wasting)) cachexia, appetite loss, cramping, seizures, muscle spasms, or spasticity, when these symptoms are unrelieved by standard treatments or medications; or
- (g) post-traumatic stress disorder with debilitating symptoms unrelieved by standard treatments or medications; or
- ((g))(h) Any other medical condition duly approved by the Washington state medical quality assurance commission in consultation with the board of osteopathic medicine and surgery as directed in this chapter.

- (21) "THC concentration" means percent of tetrahydrocannabinol content per weight or volume of useable cannabis or cannabis product.
- (22) "Useable cannabis" means dried flowers of the *Cannabis* plant having a THC concentration greater than three-tenths of one percent. Useable cannabis excludes stems, stalks, leaves, seeds, and roots. For purposes of this subsection, "dried" means containing less than fifteen percent moisture content by weight. The term "Useable cannabis" does not include cannabis products. (((7)))(23) "Valid documentation" means:
- (a) A statement signed and dated by a qualifying patient's health care professional written on tamper-resistant ((paper)) document, which states that, in the health care professional's professional opinion, the patient may benefit from the medical use of ((marijuana)) cannabis; and
- (b) Proof of identity such as a Washington state driver's license or identicard, as defined in RCW 46.20.035.

Sec. 2. RCW 69.51A.030 and 2011 c 181 s 301 are each amended to read as follows:

- (1) The following acts do not constitute crimes under state law or unprofessional conduct under chapter 18.130 RCW, and a health care professional may not be arrested, searched, prosecuted, disciplined, or subject to other criminal sanctions or civil consequences or liability under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, notwithstanding any other provision of law as long as the health care professional complies with subsection (2) of this section:
- (a) Advising a patient about the risks and benefits of medical use of cannabis or that the patient may benefit from the medical use of cannabis; or
- (b) Providing a patient ((meeting the criteria established under RCW 69.51A.010(26))) with valid documentation, based upon the health care professional's assessment of the patient's medical history and current medical condition, where such use is within a professional standard of care or in the individual health care professional's medical judgment.
- (2)(a) A health care professional may only provide a patient with valid documentation authorizing the medical use of cannabis ((or register the patient with the registry established in section 901 of this act)) if he or she has a newly initiated or existing documented relationship with the patient, as a primary care provider or a specialist, relating to the diagnosis and ongoing treatment or monitoring of the patient's terminal or debilitating medical condition, and only after:
- (i) Completing a physical examination of the patient as appropriate, based on the patient's condition and age;
- (ii) Documenting the terminal or debilitating medical condition of the patient in the patient's medical record and that the patient may benefit from treatment of this condition or its symptoms with medical use of cannabis;
- (iii) Informing the patient of other options for treating the terminal or debilitating medical condition; and
- (iv) Documenting other measures attempted to treat the terminal or debilitating medical condition that do not involve the medical use of cannabis.
 - (b) A health care professional shall not:
- (i) Accept, solicit, or offer any form of pecuniary remuneration from or to a licensed dispenser, licensed producer, or licensed processor of cannabis products;
- (ii) Offer a discount or any other thing of value to a qualifying patient who is a customer of, or agrees to be a customer of, a particular licensed dispenser, licensed producer, or licensed processor of cannabis products;
- (iii) Examine or offer to examine a patient for purposes of diagnosing a terminal or debilitating medical condition at a location where cannabis is produced, processed, or dispensed;
- (iv) Have a business or practice which consists solely of authorizing the medical use of cannabis;
- (v) Include any statement or reference, visual or otherwise, on the medical use of cannabis in any advertisement for his or her business or practice; or
- (vi) Hold an economic interest in an enterprise that produces, processes, or dispenses cannabis if the health care professional authorizes the medical use of cannabis except where a health care

professional is performing scientific research, as protected elsewhere in this chapter, that has been approved by the human subjects committee of a public or private research institute located in Washington State.

(3) A violation of any provision of subsection (2) of this section constitutes unprofessional conduct under chapter 18.130 RCW.

Sec. 3. RCW 69.51A.040 and 2011 c 181 s 401 are each amended to read as follows:

The medical use of cannabis in accordance with the terms and conditions of this chapter does not constitute a crime and a qualifying patient or designated provider in compliance with the terms and conditions of this chapter may not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences, for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, cannabis under state law, or have real or personal property seized or forfeited for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, cannabis under state law, and investigating peace officers and law enforcement agencies may not be held civilly liable for failure to seize cannabis in this circumstance, if: (1)(a) The qualifying patient or designated provider possesses no more than fifteen cannabis plants and:

- (i) No more than twenty-four ounces of useable cannabis;
- (ii) No more cannabis product than what could reasonably be produced with no more than twenty-four ounces of useable cannabis; or
- (iii) A combination of useable cannabis and cannabis product that does not exceed a combined total representing possession and processing of no more than twenty-four ounces of useable cannabis.
- (b) If a person is both a qualifying patient and a designated provider for another qualifying patient, the person may possess no more than twice the amounts described in (a) of this subsection, whether the plants, useable cannabis, and cannabis product are possessed individually or in combination between the qualifying patient and his or her designated provider;
- (2) The qualifying patient or designated provider presents his or her ((proof of registration with the department of health,)) valid documentation to any peace officer who questions the patient or provider regarding his or her medical use of cannabis;
- (3) The qualifying patient or designated provider keeps a copy of his or her ((proof of registration with the registry established in section 901 of this act)) valid documentation and the qualifying patient or designated provider's contact information ((posted prominently next to)) available at all times on the premises where any cannabis plants, cannabis products, or useable cannabis is located ((at his or her residence));
- (4) The investigating peace officer does not possess evidence that:
- (a) The designated provider has converted cannabis produced or obtained for the qualifying patient for his or her own personal use or benefit; or
- (b) The qualifying patient has converted cannabis produced or obtained for his or her own medical use to the qualifying patient's personal, nonmedical use or benefit; and
- (5) The investigating peace officer does not possess evidence that the designated provider has served as a designated provider to more than one qualifying patient within a fifteen-day period ((; and
- (6) The investigating peace officer has not observed evidence of any of the circumstances identified in section 901(4) of this act)).

Sec. 4. RCW 69.51A.047 and 2011 c 181 s 406 are each amended to read as follows: A qualifying patient or designated provider who ((is not registered with the registry established in section 901 of this act or)) does not present his or her valid documentation to a peace officer who questions the patient or provider regarding his or her medical use of cannabis but is in compliance with all other terms and conditions of this chapter may establish an affirmative defense to charges of violations of state law relating to cannabis through proof at trial, by a preponderance of the evidence, that he or she was a validly authorized qualifying patient or designated provider at the time of the officer's questioning. A qualifying patient or designated provider who establishes an

affirmative defense under the terms of this section may also establish an affirmative defense under RCW 69.51A.045.

Sec. 5. RCW 69.51A.050 and 1999 c 2 s 7 are each amended to read as follows:

- (1) The lawful possession, delivery, dispensing, production or manufacture of medical ((marijuana)) cannabis as authorized by this chapter shall not result in the forfeiture or seizure of any real or personal property including, but not limited to, cannabis intended for medical use, items used to facilitate the medical use of cannabis or its production or dispensing for medical use, or proceeds of sales of cannabis for medical use made by licensed producers, licensed processors, or licensed dispensers.
- (2) No person shall be prosecuted for constructive possession, conspiracy, or any other criminal offense solely for being in the presence or vicinity of medical ((marijuana)) cannabis or its use as authorized by this chapter.
- (3) The state shall not be held liable for any deleterious outcomes from the medical use of ((marijuana)) cannabis by any qualifying patient.
- **Sec. 6.** RCW 69.51A.055 and 2011 c 181 s 1105 are each amended to read as follows: (1)(a) The arrest and prosecution protections established in RCW 69.51A.040 may not be asserted in a supervision revocation or violation hearing by a person who is supervised by a corrections agency or department, including local governments or jails, that has determined that the terms of this section are inconsistent with and contrary to his or her supervision.
- (b) The affirmative defenses established in RCW ((69.51A.043,)) 69.51A.045(($\frac{1}{7}$)) and 69.51A.047(($\frac{1}{7}$) and section 407 of this act)) may not be asserted in a supervision revocation or violation hearing by a person who is supervised by a corrections agency or department, including local governments or jails, that has determined that the terms of this section are inconsistent with and contrary to his or her supervision.
- (2) The provisions of RCW 69.51A.040, 69.51A.085, and 69.51A.025 do not apply to a person who is supervised for a criminal conviction by a corrections agency or department, including local governments or jails, that has determined that the terms of this chapter are inconsistent with and contrary to his or her supervision.
- (3) A person may not be licensed as a producer, processor or <u>dispenser</u> ((licensed dispenser under section 601, 602, or 701 of this act)) if he or she is supervised for a criminal conviction by a corrections agency or department, including local governments or jails, that has determined that licensure is inconsistent with and contrary to his or her supervision.
- **Sec. 7.** RCW 69.51A.060 and 2011 c 181 s 501 are each amended to read as follows:
- (1) It shall be a class 3 civil infraction to use or display medical cannabis in a manner or place which is open to the view of the general public.
- (2) Nothing in this chapter establishes a right of care as a covered benefit or requires any state purchased health care as defined in RCW 41.05.011 or other health carrier or health plan as defined in Title 48 RCW to be liable for any claim for reimbursement for the medical use of cannabis. Such entities may enact coverage or noncoverage criteria or related policies for payment or nonpayment of medical cannabis in their sole discretion.
- (3) Nothing in this chapter requires any health care professional to authorize the medical use of cannabis for a patient.
- (4) Nothing in this chapter requires any accommodation of any on-site medical use of cannabis in any place of employment, in any school bus or on any school grounds, in any youth center, in any correctional facility, or smoking cannabis in any public place or hotel or motel.
- (5) Nothing in this chapter authorizes the use of medical cannabis by any person who is subject to the Washington code of military justice in chapter 38.38 RCW.
- (6) Employers may establish drug-free work policies. Nothing in this chapter requires an accommodation for the medical use of cannabis if an employer has a drug-free work place.
- (7) It is a class C felony to fraudulently produce any record purporting to be, or tamper with the content of any record for the purpose of having it accepted as, valid documentation ((under RCW))

- 69.51A.010(32)(a))), or to backdate such documentation to a time earlier than its actual date of execution.
- (8) No person shall be entitled to claim the protection from arrest and prosecution under RCW 69.51A.040 ((or the affirmative defense under RCW 69.51A.043)) for engaging in the medical use of cannabis in a way that endangers the health or well-being of any person through the use of a motorized vehicle on a street, road, or highway, including violations of RCW 46.61.502 or 46.61.504, or equivalent local ordinances.
- (9) Notwithstanding the limitations set forth in RCW 69.51A.060, persons using medical cannabis pursuant to RCW 69.51A are entitled to the same rights and protections from civil and criminal liability as users of prescription drugs under Washington State law.
- Sec. 8. RCW 69.51A.085 and 2011 c 181 s 403 are each amended to read as follows:
- (1) Qualifying patients may create and participate in collective gardens for the purpose of producing, processing, transporting, and delivering cannabis for medical use subject to the following conditions:
 - (a) No more than ten qualifying patients may participate in a single collective garden at any time;
- (b) A collective garden may contain no more than fifteen plants per patient up to a total of forty-five plants;
- (c) A collective garden may contain no more than twenty-four ounces of useable cannabis per patient up to a total of seventy-two ounces of useable cannabis;
- (d) A copy of each qualifying patient's valid documentation ((or proof of registration with the registry established in section 901 of this act, including a copy of the patient's proof of identity,)) must be available at all times on the premises of the collective garden; and
- (e) No useable cannabis from the collective garden is delivered to anyone other than one of the qualifying patients participating in the collective garden.
- (2) For purposes of this section, the creation of a "collective garden" means qualifying patients sharing responsibility for acquiring and supplying the resources required to produce and process cannabis for medical use such as, for example, a location for a collective garden; equipment, supplies, and labor necessary to plant, grow, and harvest cannabis; cannabis plants, seeds, and cuttings; and equipment, supplies, and labor necessary for proper construction, plumbing, wiring, and ventilation of a garden of cannabis plants.
- (3) A person who knowingly violates a provision of subsection (1) of this section is not entitled to the protections of this chapter.
- **Sec. 9.** RCW 69.51A.110 and 2011 c 181 s 408 are each amended to read as follows: A qualifying patient's medical use of cannabis as authorized by a health care professional may not be a sole disqualifying factor in determining the patient's suitability for an organ transplant((, unless it is shown that this use poses a significant risk of rejection or organ failure. This section does not preclude a health care professional from requiring that a patient abstain from the medical use of cannabis, for a period of time determined by the health care professional, while waiting for a transplant organ or before the patient undergoes an organ transplant)).
- **Sec. 10.** RCW 69.51A.043 (Failure to register--Affirmative defense) and 2011 c 181 s 402 are each repealed.
- <u>NEW SECTION.</u> **Sec. 11.** A new section is added to RCW 69.51A to read as follows: A nonresident who is duly authorized to engage in the medical use of cannabis under the laws of another state or territory of the United States may raise an affirmative defense to charges of violations of Washington state law relating to cannabis, provided that the nonresident:
- (a) possesses no more than fifteen cannabis plants and no more than twenty-four ounces of useable cannabis, no more cannabis product than reasonably could be produced with no more than twenty-four ounces of useable cannabis, or a combination of useable cannabis and cannabis products that does not exceed a combined total representing possession of no more than twenty-four ounces of useable cannabis;

- (b) is in compliance with all provisions of this chapter other than requirements relating to being a Washington resident or possessing valid documentation issued by a licensed health care professional in Washington;
- (c) presents the documentation of authorization required under the nonresidents authorizing state or territory's law and proof of identity issued by the authorizing state or territory to any peace officer who questions the nonresident regarding his or her medical use of cannabis; and
- (d) does not possess evidence that the nonresident has converted cannabis produced or obtained for his or her medical use for the use or benefit of anyone else.

NEW SECTION. Sec. 12. A new section is added to RCW 69.51A to read as follows:

- (1) Except as provided in subsection (2) of this section, a qualifying patient may not be refused housing or evicted from housing solely as a result of his or her possession or use of cannabis, except that housing providers otherwise permitted to enact and enforce prohibitions against smoking in their housing may apply those prohibitions to smoking cannabis provided that such smoking prohibitions are applied and enforced equally as to the smoking of cannabis and the smoking of all other substances, including without limitation tobacco.
- (2) Housing programs containing a program component prohibiting the use of drugs or alcohol among its residents are not required to permit the medical use of cannabis among those residents.

NEW SECTION. Sec. 13. A new section is added to RCW 69.51A to read as follows: In imposing any criminal sentence, deferred prosecution, stipulated order of continuance, deferred disposition, or dispositional order, any court organized under the laws of Washington state may permit the medical use of cannabis in compliance with the terms of this chapter and exclude it as a possible ground for finding that the offender has violated the conditions or requirements of the sentence, deferred prosecution, stipulated order of continuance, deferred disposition, or dispositional order. This section does not require the accommodation of any medical use of cannabis in any correctional facility or jail.

<u>NEW SECTION.</u> **Sec. 14.** A new section is added to RCW 69.51A to read as follows: Nothing in this chapter or in the rules adopted to implement it precludes a qualifying patient or designated provider from engaging in the private, unlicensed, noncommercial production, possession, transportation, delivery, or administration of cannabis for medical use as authorized under RCW 69.51A.040

<u>NEW SECTION.</u> **Sec. 15.** A new section is added to RCW 69.51A to read as follows: Nothing in this chapter or in the rules adopted to implement it precludes a collective garden from engaging in the private, unlicensed, noncommercial production, possession, transportation, delivery, or administration of cannabis for medical use as authorized under RCW 69.51A.085, provided the collective garden:

- (1) meets the definition and provisions of RCW 69.51A.085
- (2) does not operate on a commercial basis:
- (3) does not engage in any sales;
- (4) does not engage in any commercial activity, including any type of advertising, and
- (5) does not rotate more than five members of the collective garden within a fifteen day period.

NEW SECTION. Sec. 16. A new section is added to RCW 69.51A to read as follows:

- (1) It is not a violation of state criminal or civil law for a licensed dispenser or its employees, members, officers or operators to distribute, deliver, dispense, transfer, prepare, package, repackage, label, re-label, sell or possess cannabis for the medical use of its members if all of the following criteria are met:
 - (a) Licensed dispensers must obtain a business license from the Department of Revenue;
 - (b) Only qualifying patients or their designated providers may become members of a dispensary:
 - (c) Members of a dispensary are not required to provide work as part of their membership;

- (d) A copy of each member's valid documentation must be available at all times on the premises of the dispensary;
- (e) No cannabis from the dispensary may be delivered to anyone other than a member of the dispensary;
- (f) Licensed dispensers must ensure that no cannabis, cannabis paraphernalia or artistic depictions of cannabis may be viewed from outside the dispensary;
- (g) Licensed dispensers may hire staff or use member volunteers to assist in the operation of the dispensary;
- (h) Licensed dispensers may not advertise cannabis for sale to the general public in any manner that promotes or tends to promote the abuse of cannabis. This subsection does not preclude a licensed dispenser from advertising in trade journals or on medical cannabis websites;
 - (i) Licensed dispensers must keep records of all transactions;
- (j) Licensed dispensers are prohibited from dispensing cannabis that is labeled in a manner that mimics candy, soda or other treats attractive to children; and
- (k) Licensed dispensers may not be located within one thousand feet of an accredited elementary or secondary school, public park or child care center. A city, town, or county may adopt an ordinance providing for distance requirements that are greater than or less than the distance requirement under this subsection, provided that they do not preclude the possibility of siting a licensed dispenser or dispensary within their jurisdiction. When an accredited elementary or secondary school, public park or child care center opens within one thousand feet of a licensed dispenser after the lawful establishment of the licensed dispenser, the distance requirement in this subsection shall not apply to the licensed dispenser.
- (2) Retail sales of medical cannabis shall be subject to the dietary supplements exemption as provided in RCW 82.08.925 pursuant to a physician's valid documentation under RCW 69.51A. This exemption shall apply to all forms of medical cannabis sold by a licensed dispenser, but shall not apply to other products sold by a licensed dispenser.
- (3) The Department of Health may undertake subsequent rulemaking for licensed dispensers if necessary. Regulations pertaining to the operation of licensed dispensers shall be based upon existing industry standards and best practices for the sale and production of herbal products.
- (4) A person who knowingly violates a provision of subsection (1) of this section is not entitled to the protections therein.

NEW SECTION. Sec. 17. A new section is added to RCW 69.51A to read as follows:

- (1) It is not a violation of state criminal or civil law for licensed producers and their employees, officers, or operators to manufacture, plant, cultivate, grow, harvest, produce, prepare, propagate, process, package, repackage, transport, transfer, deliver, label, re-label, wholesale, or possess cannabis intended for medical use by qualifying patients if all of the following criteria are met:
 - (a) Licensed producers must obtain a business license from the Department of Revenue;
- (b) No cannabis from a licensed producer may be delivered to anyone other than a licensed processor or a licensed dispenser;
 - (c) Licensed producers must keep records of all production and delivery:
- (d) Licensed producers must ensure that no cannabis, cannabis paraphernalia or artistic depictions of cannabis may be viewed from outside the production facility;
- (e) Licensed producers may hire staff or use patient volunteers to assist in the operation of the production facility;
- (f) Licensed producers may not advertise cannabis for sale to the general public in any manner that promotes or tends to promote the abuse of cannabis. This subsection does not preclude a licensed producer from advertising in trade journals or on medical cannabis website;
- (g) Licensed producers are prohibited from distributing cannabis that is labeled in a manner that mimics candy, soda or other treats attractive to children; and
- (h) Licensed producers may not be located within one thousand feet of an accredited elementary or secondary school, public park or child care center. A city, town, or county may adopt an ordinance providing for distance requirements that are greater than or less than the distance requirement under this subsection, provided that they do not preclude the possibility of siting a

licensed producer or a production facility within their jurisdiction. When an accredited elementary or secondary school, public park or child care center opens within one thousand feet of a licensed producer after the lawful establishment of the licensed producer, the distance requirement in this subsection shall not apply to the licensed producer.

- (2) Transfer, delivery and wholesale of useable cannabis shall be subject to the dietary supplements exemption as provided in RCW 82.08.925 pursuant to a physician's valid documentation under RCW 69.51A. This exemption shall apply to all forms of useable cannabis distributed by a licensed producer, but shall not apply to other products sold by a licensed producer.
- (3) The Department of Agriculture may undertake subsequent rulemaking for licensed producers if necessary. Regulations pertaining to the operation of licensed producers shall be based upon existing industry standards and best practices for the sale and production of herbal products.(4) A person who knowingly violates a provision of subsection (1) of this section is not entitled to the protections therein.

NEW SECTION. **Sec. 18.** A new section is added to RCW 69.51A to read as follows: It is not a violation of state criminal or civil law for licensed processors and their employees, officers, or operators to manufacture, produce, prepare, process, package, repackage, transport, transfer, deliver, label, re-label, sell or possess cannabis for the medical use of qualifying patients if all of the following criteria are met:

- (a) Licensed processors must obtain a business license from the Department of Revenue;
- (b) No cannabis products from a licensed processor may be delivered to anyone other than a licensed dispenser;
 - (c) Licensed processors must keep a record of all processing and delivery;
- (d) Licensed processors must ensure that no cannabis, cannabis products, cannabis paraphernalia or artistic depictions of cannabis may be viewed from outside the processing facility;
- (e) Licensed processors may hire staff or use patient volunteers to assist in the operation of the processing facility;
- (f) Licensed processors must follow the basic health and safety standards required of a commercial kitchen;
- (g) Licensed processors may not advertise cannabis or cannabis products for sale to the general public in any manner that promotes or tends to promote the abuse of cannabis. This subsection does not preclude a licensed processor from advertising in trade journals or on medical cannabis website:
- (h) Licensed processors are prohibited from distributing cannabis that is labeled in a manner that mimics candy, soda or other treats attractive to children; and
- (i) Licensed processors may not be located within one thousand feet of an accredited elementary or secondary school, public park or child care center. A city, town, or county may adopt an ordinance providing for distance requirements that are greater than or less than the distance requirement under this subsection, provided that they do not preclude the possibility of siting a licensed processor or processing facility within their jurisdiction. When an accredited elementary or secondary school, public park or child care center opens within one thousand feet of a licensed processor after the lawful establishment of the licensed processor, the distance requirement in this subsection shall not apply to the licensed processor.
- (2) Transfer, delivery and wholesale of cannabis products shall be subject to the dietary supplements exemption as provided in RCW 82.08.925 pursuant to a physician's valid documentation under RCW 69.51A. This exemption shall apply to all forms of cannabis products distributed by a licensed processor, but shall not apply to other products sold by a licensed processor.
- (3) The Department of Agriculture may undertake subsequent rulemaking for licensed processors if necessary. Regulations pertaining to the operation of licensed processors shall be based upon existing industry standards and best practices for the sale and production of herbal products.
- (4) A person who knowingly violates a provision of subsection (1) of this section is not entitled to the protections therein.

NEW SECTION. Sec. 19. A new section is added to RCW 69.51A to read as follows:

A qualifying patient who is under 18 years of age may possess and administer medical cannabis only if the parent or legal guardian of the minor has signed a written statement affirming that the parent or legal guardian:

- (1) Understands the terminal or debilitating medical condition of the minor;
- (2) Understands the potential benefits and potential adverse effects of the use of medical cannabis, generally, and specifically in the case of the minor;
- (3) Consents to the use of medical cannabis for the treatment of the minor's terminal or debilitating medical condition; and
- (4) Consents to, or designates another adult to, serve as the designated provider for the minor and controls the acquisition, possession, dosage and frequency of use of medical cannabis by the minor.

<u>NEW SECTION.</u> **Sec. 20.** A new section is added to RCW 69.51A to read as follows: A workgroup of at least 12 medical cannabis stakeholders will be appointed by the Legislature to study the potential benefits and drawbacks of a voluntary patient registry or uniform identification system compared to the current valid documentation required under this chapter. Any recommendations from the workgroup must be presented to the Legislature by January 1, 2015 at which time this provision shall expire.

<u>NEW SECTION.</u> **Sec. 21.** A new section is added to RCW 69.51A to read as follows: Qualifying patients, designated providers, members of collective gardens, licensed dispensers, licensed processors and licensed producers in compliance with all other terms and conditions of this chapter may not be arrested, searched, prosecuted or subject to other criminal sanctions or civil consequences under state law, or have real or personal property searched, seized, or forfeited pursuant to state law, for such activities, notwithstanding any other provision of law.

<u>NEW SECTION.</u> **Sec. 22.** A new section is added to RCW 69.51A to read as follows: Washington state chartered banks and credit unions may accept deposits from, make loans to and generally engage in normal business transactions with licensed dispensers, licensed processors and licensed producers in Washington state.

<u>NEW SECTION.</u> **Sec. 23.** A new section is added to RCW 69.51A to read as follows: This act may be known and cited as the Ric Smith Memorial Act.