
SENATE BILL 5606

State of Washington

65th Legislature

2017 Regular Session

By Senators Walsh, Rivers, and Cleveland

1 AN ACT Relating to authorizing licensed marijuana producers to
2 sell marijuana plants and marijuana seeds to qualifying medical
3 marijuana patients and designated providers, and to sell marijuana
4 seeds to medical marijuana cooperatives; amending RCW 69.50.325 and
5 69.51A.250; and adding a new section to chapter 69.51A RCW.

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

7 **Sec. 1.** RCW 69.50.325 and 2016 c 170 s 1 are each amended to
8 read as follows:

9 (1) There shall be a marijuana producer's license regulated by
10 the state liquor and cannabis board and subject to annual renewal.
11 The licensee is authorized to produce: (a) Marijuana for sale at
12 wholesale to marijuana processors and other marijuana producers ((and
13 to produce)); (b) marijuana plants and seeds for sale to cooperatives
14 as described under RCW 69.51A.250((, regulated by the state liquor
15 and cannabis board and subject to annual renewal)); and (c) marijuana
16 plants and seeds for sale to qualifying patients and designated
17 providers as described under section 3 of this act. The production,
18 possession, delivery, distribution, and sale of marijuana in
19 accordance with the provisions of this chapter and the rules adopted
20 to implement and enforce it, by a validly licensed marijuana
21 producer, shall not be a criminal or civil offense under Washington

1 state law. Every marijuana producer's license shall be issued in the
2 name of the applicant, shall specify the location at which the
3 marijuana producer intends to operate, which must be within the state
4 of Washington, and the holder thereof shall not allow any other
5 person to use the license. The application fee for a marijuana
6 producer's license shall be two hundred fifty dollars. The annual fee
7 for issuance and renewal of a marijuana producer's license shall be
8 one thousand dollars. A separate license shall be required for each
9 location at which a marijuana producer intends to produce marijuana.

10 (2) There shall be a marijuana processor's license to process,
11 package, and label marijuana concentrates, useable marijuana, and
12 marijuana-infused products for sale at wholesale to marijuana
13 processors and marijuana retailers, regulated by the state liquor and
14 cannabis board and subject to annual renewal. The processing,
15 packaging, possession, delivery, distribution, and sale of marijuana,
16 useable marijuana, marijuana-infused products, and marijuana
17 concentrates in accordance with the provisions of this chapter and
18 chapter 69.51A RCW and the rules adopted to implement and enforce
19 these chapters, by a validly licensed marijuana processor, shall not
20 be a criminal or civil offense under Washington state law. Every
21 marijuana processor's license shall be issued in the name of the
22 applicant, shall specify the location at which the licensee intends
23 to operate, which must be within the state of Washington, and the
24 holder thereof shall not allow any other person to use the license.
25 The application fee for a marijuana processor's license shall be two
26 hundred fifty dollars. The annual fee for issuance and renewal of a
27 marijuana processor's license shall be one thousand dollars. A
28 separate license shall be required for each location at which a
29 marijuana processor intends to process marijuana.

30 (3) There shall be a marijuana retailer's license to sell
31 marijuana concentrates, useable marijuana, and marijuana-infused
32 products at retail in retail outlets, regulated by the state liquor
33 and cannabis board and subject to annual renewal. The possession,
34 delivery, distribution, and sale of marijuana concentrates, useable
35 marijuana, and marijuana-infused products in accordance with the
36 provisions of this chapter and the rules adopted to implement and
37 enforce it, by a validly licensed marijuana retailer, shall not be a
38 criminal or civil offense under Washington state law. Every marijuana
39 retailer's license shall be issued in the name of the applicant,
40 shall specify the location of the retail outlet the licensee intends

1 to operate, which must be within the state of Washington, and the
2 holder thereof shall not allow any other person to use the license.
3 The application fee for a marijuana retailer's license shall be two
4 hundred fifty dollars. The annual fee for issuance and renewal of a
5 marijuana retailer's license shall be one thousand dollars. A
6 separate license shall be required for each location at which a
7 marijuana retailer intends to sell marijuana concentrates, useable
8 marijuana, and marijuana-infused products.

9 **Sec. 2.** RCW 69.51A.250 and 2016 c 170 s 2 are each amended to
10 read as follows:

11 (1) Qualifying patients or designated providers may form a
12 cooperative and share responsibility for acquiring and supplying the
13 resources needed to produce and process marijuana only for the
14 medical use of members of the cooperative. No more than four
15 qualifying patients or designated providers may become members of a
16 cooperative under this section and all members must hold valid
17 recognition cards. All members of the cooperative must be at least
18 twenty-one years old. The designated provider of a qualifying patient
19 who is under twenty-one years old may be a member of a cooperative on
20 the qualifying patient's behalf. All plants grown in the cooperative
21 must be purchased or cloned from a plant purchased from a licensed
22 marijuana producer as defined in RCW 69.50.101. Cooperatives may also
23 purchase marijuana seeds from a licensed marijuana producer.

24 (2) Qualifying patients and designated providers who wish to form
25 a cooperative must register the location with the state liquor and
26 cannabis board and this is the only location where cooperative
27 members may grow or process marijuana. This registration must include
28 the names of all participating members and copies of each
29 participant's recognition card. Only qualifying patients or
30 designated providers registered with the state liquor and cannabis
31 board in association with the location may participate in growing or
32 receive useable marijuana or marijuana-infused products grown at that
33 location.

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

35 (a) Within one mile of a marijuana retailer;

36 (b) Within the smaller of either:

37 (i) One thousand feet of the perimeter of the grounds of any
38 elementary or secondary school, playground, recreation center or
39 facility, child care center, public park, public transit center,

1 library, or any game arcade that admission to which is not restricted
2 to persons aged twenty-one years or older; or

3 (ii) The area restricted by ordinance, if the cooperative is
4 located in a city, county, or town that has passed an ordinance
5 pursuant to RCW 69.50.331(8); or

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

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

10 (5) If a qualifying patient or designated provider no longer
11 participates in growing at the location, he or she must notify the
12 state liquor and cannabis board within fifteen days of the date the
13 qualifying patient or designated provider ceases participation. The
14 state liquor and cannabis board must remove his or her name from
15 connection to the cooperative. Additional qualifying patients or
16 designated providers may not join the cooperative until sixty days
17 have passed since the date on which the last qualifying patient or
18 designated provider notifies the state liquor and cannabis board that
19 he or she no longer participates in that cooperative.

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

22 (a) May grow up to the total amount of plants for which each
23 participating member is authorized on their recognition cards, up to
24 a maximum of sixty plants. At the location, the qualifying patients
25 or designated providers may possess the amount of useable marijuana
26 that can be produced with the number of plants permitted under this
27 subsection, but no more than seventy-two ounces;

28 (b) May only participate in one cooperative;

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

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

35 (e) May not sell, donate, or otherwise provide marijuana,
36 marijuana concentrates, useable marijuana, or marijuana-infused
37 products to a person who is not participating under this section.

38 (7) The location of the cooperative must be the domicile of one
39 of the participants. Only one cooperative may be located per property

1 tax parcel. A copy of each participant's recognition card must be
2 kept at the location at all times.

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

5 (a) Any security requirements necessary to ensure the safety of
6 the cooperative and to reduce the risk of diversion from the
7 cooperative;

8 (b) A seed to sale traceability model that is similar to the seed
9 to sale traceability model used by licensees that will allow the
10 state liquor and cannabis board to track all marijuana grown in a
11 cooperative.

12 (9) The state liquor and cannabis board or law enforcement may
13 inspect a cooperative registered under this section to ensure members
14 are in compliance with this section. The state liquor and cannabis
15 board must adopt rules on reasonable inspection hours and reasons for
16 inspections.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 69.51A
18 RCW to read as follows:

19 Qualifying patients and designated providers may purchase
20 marijuana plants or clones from a marijuana plant from a licensed
21 marijuana producer as defined in RCW 69.50.101. Qualifying patients
22 and designated providers may also purchase marijuana seeds from a
23 licensed marijuana producer.

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