

Proposed Marijuana Regulatory License

Currently in Washington State, the State Liquor Control Board (LCB) regulates the production and sale of recreational marijuana, but there are not similar regulations for medical marijuana. While the state legislature is expected to address this disparity in the 2015 legislative session, a new system regulating medical marijuana is unlikely to be in place until 2016. Seattle Mayor Edward B. Murray has heard the concerns of patients, community groups and neighborhoods that have been dealing with the consequences of an under-regulated industry and believes more could be done to ensure that medical marijuana is safe, legal and available. To address these concerns, the City is considering introducing a new regulatory license for the medical marijuana industry with the framework described below.

Current Regulatory Differences: Recreational and Medical Marijuana

Recreational Marijuana Regulations	Medical Marijuana Regulations
Licensed producers, processors and retailers	N/A
Strict limits on siting of any marijuana business and distance from areas children are present	City regulations regarding zoning and historical districts
Criminal and financial background checks of all business owners and investors	N/A
Testing of product for purity and presence of fungus or mold	N/A

Goals in Regulating Medical Marijuana

- 1 Ensure safe, consistent access for patients that require medical marijuana.
- 2 Reduce impact on neighborhoods that are overburdened with medical marijuana dispensaries.
- 3 Clarify laws regarding medical marijuana for all involved including patients, dispensaries, processors and law enforcement.
- 4 Develop enforcement and compliance procedures that are not incarceration focused.

Proposed Entities Subject to Regulatory License

Class 1 Collective Garden

- ◇ Collective gardens with dispensaries

Class 2 Collective Garden

- ◇ Collective gardens without dispensaries

Processors

- ◇ Edible & Concentrate Product Manufacturers
- ◇ Cannot provide products directly to patients but can provide products to Class 1 Collective Garden and contract for services to Class 2 Collective Gardens.

I-502 Licensees

- ◇ All producers, processors and retailers licensed by WA State Liquor Control Board.
- ◇ No requirements outside of obtaining the City marijuana regulatory license.

Proposed Distance Requirements

Class 1 Collective Gardens* and Processors: 500 feet from childcare centers, elementary and secondary schools, public transit centers, libraries, public parks, public recreation centers and facilities.

* Class 1 Collective Gardens must also be 1000 feet from other Class 1 Collective Gardens.

Proposed Testing Requirements

- ◇ Class 1 Collective Gardens must test marijuana flower that they distribute.
- ◇ Processors responsible for testing edible and concentrate products.
- ◇ Must test for levels of THC, THCA, CBD and presence of mold, fungus, pesticides and heavy metals.

Proposed Requirements for Processors

- ◇ Cannot provide products or samples directly to patients.
- ◇ Can only obtain marijuana from WA collective gardens.
- ◇ Can provide products to Class 1 Collective Gardens and contract for services with Class 2 Collective Gardens.
- ◇ Criminal background check for owner.
- ◇ Employees must be at least 21.
- ◇ Must allow inspections by authorized city staff.
- ◇ Edible product manufacturers must follow Washington State and King County public health codes.
- ◇ Must install alarm system on premises.
- ◇ Concentrate product manufacturers limited to procedures authorized by WA State LCB.
- ◇ Packaging must be opaque, re-sealable and cannot have cartoon characters or imitate known brands.
- ◇ Restrictions on signage and advertising.

Proposed Requirements for Class 1 Collective Gardens

- ◇ No free samples of any products to patients.
- ◇ Can only work with other WA collective gardens and processors. Must disclose list of all vendors.
- ◇ Criminal background check for owner.
- ◇ Employees must be at least 21.
- ◇ Must allow inspections by authorized city staff.
- ◇ Must validate qualifying patient authorization with issuing health care provider.
- ◇ No delivery without storefront. One day waiting period before delivery service can begin.
- ◇ Must install an alarm system on premises.
- ◇ Can process and package flower product.
- ◇ Packaging cannot have cartoon characters or mimic known brands.
- ◇ Restrictions on signage and advertising.
- ◇ No consumption allowed on premises.
- ◇ No selling marijuana products at fairs, trade shows or farmers markets.

Proposed Requirements for Class 2 Collective Gardens

- ◇ Maximum 10 members and 45 plants on an individual parcel of land.
- ◇ 15 day waiting period before a new member can join after a member leaves.
- ◇ Not subject to zoning requirements of Class 1 Collective Gardens.
- ◇ No dispensary operations, no signage or advertising.
- ◇ Not required to test marijuana for purity or strength.

Proposed Penalties for Violations

- ◇ \$500 fine for first time violation of most rules, \$1000 fine for subsequent violations within 12 months.
- ◇ \$1000 fine for first time distribution to persons without valid authorization, \$1500 fine for subsequent violations within 6 months.
- ◇ \$1500 fine for distribution to minors under 21 without a valid authorization, \$2000 fine for subsequent violations within 6 months.
- ◇ Suspension and revocation of license for repeated or egregious violations of rules.

