

## Amendment 1 to CB 120392 - Cannabis Equity Licensing

**Sponsor:** Councilmember Herbold

*Reduced fees for small cannabis production businesses and for  
cannabis transport businesses in Seattle*

**Effect:** Establishes cannabis business license fees of \$2,000 for cannabis production businesses located in Seattle whose production space does not exceed 4,000 square feet and for cannabis transporters located in Seattle. Those businesses currently pay a \$3,500 fee.

Insert the following new recitals in the body of the ordinance after the fifth “WHEREAS”:

WHEREAS, WAC 314-55-075 provides for businesses whose total space for cannabis production is less than 4,000 square feet to obtain a Tier 1 cannabis producer license from Washington State; and,

WHEREAS, Tier 1 cannabis producers are small family owned and operated businesses with slim margins which have been negatively impacted by the current license fee, and a reduced cannabis license fee would help to ensure the continued existence of small cannabis production businesses in Seattle; and

WHEREAS, cannabis transporters are small businesses that transport cannabis products between producers, processors and retailers which typically have a low profit margin as they are limited to transporting only cannabis products and only within Washington State; and

WHEREAS, Seattle cannabis retailers and processors rely on transporters to provide products for their businesses, and a reduced cannabis license fee for transporters would benefit Seattle businesses dependent upon the products they transport; and

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Insert the following definition in Section 2 after the definition of “Cannabis producer” and renumber subsequent sections as appropriate :

“Cannabis producer – small business” means a cannabis producer holding a Tier 1 cannabis producer license from Washington State whose total space for cannabis production is less than 4,000 square feet;

Insert the following definition in Section 2 after the definition of “Cannabis retailer” and renumber subsequent sections as appropriate:

“Cannabis transporter” means a person licensed by the Washington State Liquor and Cannabis Board to physically transport or deliver cannabis, cannabis concentrates, and cannabis-infused products between licensed cannabis businesses within Washington State.

Amend Section 6 as follows:

#### **6.500.080 License and related fees**

A. Licenses shall expire June 30 each year and be annually renewable. The following annual fees shall apply:

1. ~~((Marijuana License))~~ Cannabis license - Located in Seattle: \$3,500
2. Cannabis license for cannabis producer – small business – Located in Seattle:  
\$2,000
3. Cannabis license for cannabis transporter – Located in Seattle: \$2,000
- ~~((3))~~ 4. Cannabis license for social equity applicants - Located in Seattle: \$0
- ~~((4))~~ 5. ~~((Marijuana License))~~ Cannabis license - Located outside Seattle: ~~((.....))~~  
\$2,000

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((~~5~~)) 6. Cannabis license for social equity applicants - Located outside Seattle: \$0