



Seattle City Council
 Central Staff – Memorandum

Date: July 7, 2015
To: Finance and Culture Committee
From: Ketil Freeman, Council Central Staff
Subject: Proposed Marijuana Regulations – Substitute Regulatory License Bill and Enforcement Resolution

At its July 8th meeting, the Finance and Culture Committee will discuss 1) a substitute Resolution 31595 and 2) a substitute Council Bill (CB) 118419. Proposed substitute legislation reflect changes necessitated by passage by the Legislature of Second Engrossed Second Substitute Bill 2136 (2E2SHB 2136) and changes recommended by Finance and Culture Committee Chair Licata.

Among other things, 2E2SHB 2136 allows jurisdictions to modify buffer requirements from some sensitive land uses; prohibits consumption of marijuana in public places; exempts marijuana-based health and beauty aids, meeting a prescribed definition, from regulation as controlled substances; modifies some definitions; and provides capped marijuana tax revenue to local jurisdictions based on population and retail sales.

This memorandum describes proposed amendments in substitute Reso. 31595 and substitute C.B. 118419.

Substitute Reso. 31595 - Enforcement Priorities	
Correct typographical errors and modify numbering and formatting.	Throughout
Amend a recital to clarify that unregulated marijuana businesses, not specifically medical marijuana dispensaries, have led to a rise in usage by minors.	Page 2, Line 7
Elevate recreational marijuana delivery services to the highest enforcement tier.	Page 6, Line 1
Clarify that branches of unlicensed businesses that opened after January 1, 2013 and which are at least 80% owned by a parent company which opened prior to January 1, 2013 are in the lowest enforcement tier.	Page 7, Line 1
Moderate intent language for future Council consideration of changes to land use and zoning regulations for marijuana businesses.	Page 7, Line 19
Clarify that, to the extent allowed by state and federal law, the Council will consider buffer measurements other than straight line measurements, such as common-path-of-travel, in deciding what buffer requirements to impose through future land use and zoning regulations.	Page 8, Line 3
Clarify the Council’s intent that dispersion requirements for licensed retail establishments will be triggered when more than two are located in close proximity to each other.	Page 8, Line 7

Substitute CB 118419 - Regulatory License	
Correct typographical errors and modify numbering and formatting.	Throughout
Amend two recitals to clarify that unregulated marijuana businesses, not specifically medical marijuana dispensaries, have led to public safety problems and a rise in usage by minors.	Page 2, Lines 3 and 10
Define “cannabis health and beauty aid” to be consistent with state law.	Page 4, Line 1
Define “marijuana products” to be consistent with state law.	Page 6, Line 17
Insert or replace existing language with “marijuana products.”	Throughout
Amend the definition for “marijuana-infused products” to be consistent with state law.	Page 6, Line 19
Define “usable marijuana” to be consistent with state law.	Page 6, Line 15
Establish that businesses that transport marijuana or marijuana products require a regulatory license.	Page 12, Line 3
Clarify that manufacturers and distributors of cannabis health and beauty aids do not require a regulatory license.	Page 12, Line 6.
Clarify that unlicensed businesses that may seek a license must be current on unemployment taxes and Department of Labor and Industry fees and have no unpaid judgments for nonpayment of wage or tip compensation.	Page 12, Line 13.
Amend confiscation language to establish that the City may seize all marijuana or marijuana products from businesses operating without a license or selling products that do not meet licensing program requirements.	Page 21, Line 10.