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Title: A RESOLUTION concerning the creation of enforcement priorities for city departments regarding non-state-licensed marijuana establishments.

Sponsors: Nick Licata

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Substitute v3, 3. Central Staff Memo, 7-8-2015, 4. Mayor's Transmittal Letter, 5. Marijuana Legislative Proposals (6/10/2015), 6. Summary of Cannabis-related Legislative Proposals, 7. Marijuana Policy FAQ, 8. Preliminary List of Business Licenses Issued after 1/1/2013, 9. Summary of Senate Bill 5052, 10. Central Staff Memo (6/10/2015), 11. Central Staff Memo and issue identification (6/24/2015), 12. Map of Dispensary Clusters and State-licensed Retail Stores, 13. Map of Dispensary Clusters Clusters and State-licensed Retail Stores by Land Use Zone, 14. Signed Resolution 31595

Date	Ver.	Action By	Action	Result
7/17/2015	2	City Clerk	attested by City Clerk	
7/17/2015	2	Mayor	Signed	
7/17/2015	2	Mayor	returned	
7/14/2015	2	City Clerk	submitted for Mayor's signature	
7/13/2015	1	City Council	adopted	Pass
7/8/2015	1	Finance and Culture Committee	adopt as amended	Pass
6/24/2015	1	Finance and Culture Committee		
6/22/2015	1	City Council	referred	
6/8/2015	1	Council President's Office	sent for review	
6/4/2015	1	City Clerk	sent for review	
6/4/2015	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION concerning the creation of enforcement priorities for city departments regarding non-state-licensed marijuana establishments.

WHEREAS, the residents of the state of Washington voted in favor of Initiative 692 creating the Medical Use of Marijuana Act (MUCA);

WHEREAS, the MUCA does not create any legal right to grow, process, or distribute medical marijuana but only allows for an affirmative defense for patients and providers;

WHEREAS, Initiative 502 was passed statewide and by voters in the state of Washington;

WHEREAS, said Initiative 502 creates a highly regulated system for the production, processing, and distribution of marijuana for adult use;

WHEREAS, the Washington State Liquor and Cannabis Board has allowed for the provision of 21 retail marijuana stores within the City of Seattle;

WHEREAS, 14 recreational marijuana retail stores have opened in the City of Seattle as of June 2, 2015;

WHEREAS, the Department of Finance and Administrative Services and the Department of Planning and Development have determined that there are approximately 99 marijuana retailers operating in the City of Seattle without licenses issued by the Washington Liquor and Cannabis Board;

WHEREAS, an estimated 54 marijuana retailers without state licenses have established operations in the City of Seattle since January 1, 2013;

WHEREAS, there have been numerous armed robberies and thefts of unlicensed marijuana businesses endangering staff at these establishments and the surrounding community;

WHEREAS, access to medical marijuana for qualifying patients and recreational marijuana by adults should be equitably distributed throughout the city;

WHEREAS, access to recreational marijuana should be limited to those over 21 years of age;

WHEREAS, access to medical marijuana by those under 21 years of age should be available only to those patients with a qualifying medical condition that has been confirmed by a healthcare provider;

WHEREAS, the proliferation of unregulated marijuana businesses have seen an attendant increase in elementary and secondary school students, who are not qualifying patients, accessing marijuana-infused products;

WHEREAS, 77 percent of drug/alcohol discipline incidents in Seattle public schools in 2014 involved

marijuana;

WHEREAS, it is in the interest of the people of the City of Seattle to prevent those under 21 years of age from accessing marijuana and marijuana infused products;

WHEREAS, it is in the interest of the people of the City of Seattle to halt the proliferation of non-state licensed, and therefore unlawful, marijuana businesses while maintaining access to medical marijuana for qualifying patients;

WHEREAS, the state legislature and Governor Inslee signed into law SSB 5052 that reforms medical marijuana law in Washington State;

WHEREAS, SSB 5052 prioritizes non-state licensed marijuana establishments operating before January 1, 2013 having an opportunity to obtain a state license by July 1, 2016; and

WHEREAS, it is in the interest of the people of the City of Seattle to allow qualifying patients to access safe, quality controlled medical marijuana; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. To ensure that the City of Seattle has the ability to prevent the further proliferation of non-state-licensed marijuana business operations that operate outside the I-502 system, the Mayor intends to submit and the City Council intends to consider legislation that would require all marijuana producers, processors, and retailers operating in Seattle to acquire a regulatory business license. Further, the Mayor, City Council, and Department of Finance and Administrative Services will seek to develop policy and procedures in which Seattle Municipal Code (SMC) Title 5 business licenses can be revoked according to the enforcement priorities identified in Section 2 of this resolution, including any business license issued to an entity operating in violation of the law or that is required to have an SMC Title 6 regulatory business license.

The City of Seattle favors civil remedies to address compliance of non-state-licensed marijuana establishments. However, should civil remedies fail to gain compliance from a specific establishment,

criminal sanctions may be employed.

Section 2. Consistent with Section 1, the Mayor and the City Council intend to consider the creation of a regulatory license under SMC Title 6, which would ensure that:

A. The City of Seattle has the ability to effectively regulate and address community concerns regarding state-licensed marijuana business activity;

B. Only marijuana businesses that have obtained state licenses issued under Title 69 RCW can operate in Seattle; and

C. Non-state-licensed marijuana establishments that began operations prior to January 1, 2013 would be permitted to operate until July 1, 2016 if their operations do not run afoul of the enforcement priorities described herein and apply for a state license by the deadline set by the Washington State Liquor and Cannabis Board. Operators of said establishments shall forward a copy of their application to the Director of Finance and Administrative Services.

The Mayor and the City Council will consider adopting the rules promulgated by the newly renamed Washington State Liquor and Cannabis Board under Washington Administrative Code (WAC) Chapter 314-55 as the regulatory requirements of any regulatory license required under an SMC Title 6 license. Doing so will allow the City of Seattle to enforce the same requirements as the Liquor and Cannabis Board enforces regarding advertising, signage, and other areas regulated by the Liquor and Cannabis Board.

Section 3. The City Council and the Mayor request that the Finance and Administrative Services Department (FAS), the Department of Planning and Development, the Seattle Police Department, and the City Attorney's Office work cooperatively to identify and develop enforcement procedures against non-state-licensed marijuana businesses according the following levels of priority:

A. Highest Priority - Tier 1

1. Individuals or entities that distribute marijuana, marijuana concentrates, or marijuana-infused products to those people under 21 years of age or people other than qualifying patients.

a. Only designated providers 21 years of age or older, as defined by RCW 69.51A.010 (as amended by Chapter 70, Laws of 2015), may acquire, produce or provide marijuana, marijuana concentrates, and marijuana-infused products to a qualifying patient of any age.

b. Only qualifying patients 21 years of age or older, as defined by RCW 69.51A.010 (as amended by Chapter 70, Laws of 2015), or designated providers 21 years of age or older, as defined by RCW 69.51A.010 (as amended by Chapter 70, Laws of 2015), may handle or acquire marijuana from a non-state-licensed marijuana establishment. Until July 1, 2016, qualifying patients between the ages of 18-21 may not handle or acquire marijuana directly from any marijuana establishment. Qualifying patients under the age of 21 may only be upon the premises of a non-state-licensed marijuana establishment if they are accompanied by their designated provider who is over the age of 21. Qualified patients under the age of 18 may not be upon the premises of any marijuana establishment. Qualifying patients and designated providers must have Washington state-issued identification and valid documentation as defined in RCW 69.51A.010, written on tamper-resistant paper, to enter the premises. Marijuana establishments without I-502 licenses that provide marijuana to anyone other than qualifying patients or designated providers are operating entirely outside the scope of both I-502 and the Medical Use of Cannabis Act (MUCA) and are illegal.

c. Individuals or entities that distribute marijuana products are responsible for verifying the identity, age and valid documentation of each qualifying patient that enters their establishment. Only Washington State issued identification and valid documentation as defined in RCW 69.51A.010 may be accepted. Non-state-licensed marijuana establishments must verify the authenticity of the documentation by contacting the issuing healthcare professional, and keeping a record of such contact.

d. Only qualifying patients with valid documentation written on tamper-resistant paper or their designated providers may be allowed to access marijuana from a non-state-licensed marijuana establishment.

2. Any individual, enterprise, or entity that provides delivery services for recreational

marijuana.

3. Individuals or entities that operate non-state-licensed marijuana establishments and are under law enforcement investigation for criminal violations or that have become public safety concerns as evidenced by 911 calls, incident reports, and other factors.

4. Individuals or entities that manufacture or distribute marijuana products that mimic or imitate trademark protected products or are packaged or designed in any manner that would be especially appealing to children. The depiction of objects, such as toys, characters, or cartoon characters, is prohibited on the labels or packaging of any marijuana package.

5. Non-state-licensed marijuana establishments that are operating without a business license issued by the City of Seattle or are operating with a business license issued after January 1, 2013.

B. Second Highest Priority - Tier 2

1. Any non-state-licensed marijuana establishment that is growing, processing or distributing marijuana and that is in violation of building and construction, land use, fire, or other city codes.

2) Any individual, enterprise or entity that provides delivery services for medical marijuana.

3. Any individual, enterprise or entity that allows the consumption of marijuana or marijuana infused products on their business premises in violation of law.

C. Third Highest Priority - Tier 3

1. A non-state licensed marijuana establishment that received a business license after January 1, 2013, but is at least 80 percent owned by a non-state licensed marijuana establishment that received a business license before January 1, 2013.

i. The predecessor operations must have been in continuous operation in a standalone retail location since commencing business prior to January 1, 2013 and must submit documentation to the FAS Director establishing 80 percent ownership by the predecessor entity of the establishment opened after January 1, 2013.

ii. The FAS Director shall determine the nature and sufficiency of documents submitted by these establishments to meet this requirement.

2. Any individual or entity that is distributing marijuana that has not undergone quality assurance testing, which testing includes a microbial screening, and that does not disclose the percentage of THC, THCD, CBD, and any pesticides used in the production of marijuana it distributes.

3. Any medical marijuana establishment that is distributing marijuana and is located within 500 feet of another state-licensed or non-state-licensed marijuana establishment.

4. Any medical marijuana establishment that is not operating within the parameters of MUCA's provisions governing collective gardens.

Section 4. In order to address community concerns regarding public health and safety, the Mayor intends to submit and the City Council intends to consider legislation that will require non-state licensed marijuana retail establishments to be at least 1000 feet from any private or public elementary or secondary school or playground and an acceptable distance from another state-licensed or non-licensed marijuana retail establishment.

A. All distance measurements shall be measured as the shortest straight line distance from the property line of the proposed building/business location to the property line of those entities listed. If allowed by state and federal law, other methods of distance measurement, such as common path of travel, may be considered by the City Council.

B. A marijuana retail establishment may, at its own cost and expense, submit a certified surveyor report establishing the distance of their location from another entity.

C. The presence of more than two marijuana retail establishments, either licensed by the state or not, will trigger the mutual dispersion requirement. The entity that established its use earlier in time will be allowed to remain in place.

D. If a state-licensed marijuana retail establishment arrives after a non-licensed marijuana

establishment, the state-licensed retail establishment will be given preference.

Adopted by the City Council the ____ day of _____, 2015, and signed by me in open session in authentication of its adoption this _____ day of _____, 2015.

President _____ of the City Council

The Mayor concurred the ____ day of _____, 2015.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)