

CASCADE MOUNTAIN HIGH: MARIJUANA LEGALIZATION IN WASHINGTON

Presentation to the 2015 GRA Conference

Kriss Sjoblom



Hempfest – Seattle's protestival



- A three-day summer festival in Seattle
- First held in 1991
- Estimated attendance ≈ 250k
- Both the incumbent mayor and his eventual successor campaigned at the 2013 event



Police work the crowd in 2013



MARCUS YAM / THE SEATTLE TIMES

From left, Sgt. Sean Whitcomb and Jonah Spangenthal from Seattle Police Department hand out bags of Doritos chips labeled with informational guide about cannabis and how the new laws decriminalizing marijuana work and don't work, at the 22nd annual Hempfest in Seattle.



Initiative 692 – Medical Marijuana

- Approved the medical use of marijuana for medical purposes by qualifying patients
- I-692 was an initiative to the people
- 260,335 signatures were submitted and the measure appeared on the November 1998 ballot
- 1,121,851 (59.0%) voted for the measure and 780,631 (41.0%) voted against it



I-692

- Only 4 pages long
- It provided no statutory licensing or production standards for medical marijuana
- It provided no provisions for taxation of medical marijuana
- No state agency was given regulatory oversight of medical marijuana
- Patients may grow medical marijuana for themselves or designate a provider to grow on their behalf.
- Designated providers may only provide marijuana for one patient at a time



I-692

- Up to ten qualifying patients may share a collective garden
- Courts have held that the initiative does not protect patients from arrest but that those who hold valid documentation may assert an affirmative defense at trial that they are authorized medical marijuana patients. These patients are not currently provided arrest protection



Unregulated medical marijuana market said to be "The Wild West"



Initiative 502 – Recreational Marijuana

- Approved the recreational use of marijuana
- I-502 was an initiative to the legislature
- Primary sponsor was John McKay, former U.S. Attorney for Western Washington (a Bush appointee)
- Other sponsors included Seattle City Attorney Peter Holmes and travel writer Rick Steves
- 354,608 signatures were submitted and the measure appeared on the November 1912 ballot
- 1,724,209 (55.7%) voted for the measure and 1,371,235 (44.3%) voted against



I-502

- 65 pages long
- Legalized the personal use and possession of marijuana
- Called for licensing and regulating marijuana production, distribution, and retailing
- Made the Liquor Control Board (LCB) responsible for licensure and regulation
- Eliminated criminal/civil penalties for activities authorized by the initiative
- Established 25% gross receipts taxes on production, processing and retailing marijuana and marijuana infused products

I-502

- Created the “dedicated marijuana fund” to receive all revenues derived by the LCB from marijuana
- Called for licensing and regulating marijuana production, distribution, and retailing
- Made the Liquor Control Board (LCB) responsible for licensure and regulation
- Eliminated criminal/civil penalties for activities authorized by the initiative
- Established 25% gross receipts taxes on production, processing and retailing marijuana and marijuana infused products

News

MOHAI receives grandmother’s donation of first legal pot sold in Seattle

Originally published July 23, 2014 at 1:14 pm | Updated July 23, 2014 at 1:12 pm



By Evan Bush
Seattle Times staff reporter



The grandmother who bought Seattle’s first legal recreational pot donated some of it to MOHAI this morning, along with clothes she wore that day and more. Deborah Greene, 65, bought eight grams of marijuana from Sodo’s Cannabale City on July 8. Today, she gave MOHAI two grams of the Sweet Lafayette strain, which cost her \$40.



Two of the first grams sold in Seattle are now in the collection of the Museum of History and Industry



2SSB 5052: “Cannabis Patient Protection Act”

- The Liquor Control Board (LCB) renamed the Liquor and Cannabis Board (still LCB)
- Medical use of marijuana is regulated through the structure provided in Initiative 502
- Qualifying patients remain able to grow marijuana for medical use
- Four member cooperatives are permitted; location of the cooperative must be registered with LCB
- Collective gardens prohibited, effective 7/1/16.
- Medical marijuana authorization database created

2SSB 5052

- Medical marijuana endorsement to a marijuana retail license established
- LCB to issue additional licenses to address the needs of the medical market
- First priority to people who operated or worked at collective garden before 11/6/12 and applied for retail license before 7/1/14

2E2SHB 2136:

- The 25 % producer and processor taxes eliminated; the retailer tax increased to 37 %; this tax is levied on the buyer
- Sales and use tax exemption for medical use
- \$15 million distributed annually to local jurisdictions: based 70% on population, 30% on local marijuana sales (becomes \$20 million in FY 2020)
- Dedicated marijuana account made subject to appropriation
- Allocations to certain agencies lowered
- Use prohibited in public places or marijuana clubs

Tribal marijuana: an uncertain future

- Both nationally and in Washington state, tribal marijuana's future is uncertain
- Many of Washington state's tribes are aggressive but sophisticated
- While the monetary potential is obvious, tribal leaders are very p.r. conscious and have a good thing going now with their gaming compacts
- Washington state is already looking to pot to fill a funding gap
- Legalization states will not be keen to losing this new revenue to destination resorts with gaming and no indoor smoking laws