



Prop 64 – Recreational Marijuana Update

Council Study Session
January 26, 2017



State Laws Regulating Marijuana



- Medical Marijuana Regulation and Safety Act (MMRSA)

- Bureau of Marijuana Control (BMC)
- Medical ID card
- 19 licensing types
- Strong local land use control

- Adult Use of Marijuana Act (AUMA)
(Proposition 64)

- Legalizes Adult Use (over 21)
- Allows Property Owners to cultivate up to 6 plants
- Establishes State Excise Tax of 15%, State Cultivation Tax of \$9.25 on flowers, \$2.75 on non-flowers for both medical and recreational
- Local governments can establish separate tax
- Allows local land use control



Local Control

- City should establish Ordinances to address:
 - Personal Use
 - Commercial Use
 - Medicinal Use

- City's can choose to ban/regulate:
 - Retail
 - Medical Dispensaries
 - Delivery (to/from)
 - Outdoor Cultivation
 - Any State licensed business type

- City's cannot ban Personal Indoor Cultivation (up to 6 plants)



Existing City Regulations

- Current City Ordinance prohibits all Medicinal Marijuana operations (Chapter 25.34.120)
- City's Ordinance regulating “smoking” applies to marijuana (Chapter 8.36)
- AUMA prohibits outdoor smoking in public spaces and within 1,000 feet of school, park, other public spaces.
- Current Zoning Ordinance omits recreational and personal marijuana



Potential City Regulations

- AUMA allows for “reasonable” regulation for personal use
 - Prohibit outdoor grows
 - Require registration / owner authorization
 - Require business licensing
 - Inspections for indoor growth (safety)



- Separate Medical/Recreation Use/Personal
- Limit to commercial operations to specific zoning districts
 - Require CUP
 - Separation requirements
 - Square footage maximums



MEANWHILE IN WASHINGTON



Recreational Marijuana Legalization in the U.S.
Currently, eight states allow recreational marijuana use.



Sources: Money Morning Staff Research



Other Considerations

- Controlled Substance Act (Federal)
- \$1 Billion estimated State Revenue (year1)
- State Grants
 - 60% to youth programs, education, prevention, treatment
 - 20% environmental clean up / restoration
 - 20% reduce DUI and other health impacts
- Cities that ban marijuana uses are not eligible for grants
- Local tax on commercial operations
 - 37/39 local taxes passed in 2016