

Initiative No. 1778

January 5, 2021

BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: I-4085.1/21

ATTY/TYPIST: KB:jcm

BRIEF DESCRIPTION:

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AN ACT Relating to electricity theft in cannabis, marijuana, and hemp production, processing, and sales in residential zoned neighborhoods; adding a new section to chapter 69.50 RCW; creating new sections; prescribing penalties; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec. 1.** The people intend to prevent the unlawful theft of electricity in marijuana, cannabis, and hemp operations.

NEW SECTION. **Sec. 2.** A new section is added to chapter 69.50 RCW to read as follows:

(1) The production, processing, and sale of marijuana, cannabis, and hemp is unlawful in residential zoned neighborhoods.

(2) This section applies to marijuana, cannabis, and hemp tetrahydrocannabinol, cannabiniol, and cannabidiol products, whether or not approved by the United States department of health and human

services, the United States food and drug administration, or the United States department of agriculture for consumer use.

(3) A person, congregation of people, business entity, or corporation found to be imposing crime, and in violation of the zoning laws for marijuana, cannabis, and hemp production, processing, and sales is subject to total confiscation of the property according to existing federal, state, and local laws. Utility companies, utility districts, contractors, and agents cannot declare immunity. Moreover, utility company associates, partners, real estate brokers, legal counsel, or subcontractors cannot declare immunity, and, therefore, will be prosecuted for aiding in the imposing crime of electricity theft. Specifically, when the Washington state patrol or drug enforcement agency tip line is used to identify a crime and the tip has not been properly pursued by the utility company or its partners or associates, then the burden of proof lies on the utility company to determine its intent not to act in accordance with the laws.

(a) A person who violates this section or corporate officer who violates this section, is subject to a class C felony under chapter 9A.20 RCW and the penalties provided in RCW 9A.82.100. A real property owner found in violation of this section is subject to a penalty of forfeiture and seizure of the personal and real property. The forfeiture includes all homeowners in violation of the laws governing appropriate zoning for marijuana, cannabis, and hemp. The burden of screening any tenant including, but not limited to, the cease and desist of all aspects with intent to occupy and conduct unlawful narcotics activities on the real property, rests upon the legal owner of the real property regardless of who has residency under the lease or rental agreement at the time law enforcement reports the violation.

(b) Anyone responsible or culpable of unlawful cannabis and narcotic processing resulting in toxic residue without proper storage or disposal is subject to a \$1,000 fine. Toxins are not limited to molds, chemicals, or plastic packaging and syringes.

(c) Any person, congregation of people, business entity, or corporation engaging in cannabis commerce of any kind outside a residential zone, and within a properly zoned area for marijuana, cannabis, and hemp, must report to the department of homeland security by January 15th of each year for annual inspection. The nature of the annual inspection shall be for the purpose of zoning, health, terrorism, hazard assessment, and safety code compliance verification. Annual compliance can also be verified through the Washington state patrol.

(d) All individual sole proprietors and business entities maintaining cannabis code compliance verification for zoning, health, terrorism hazard reduction, and safety, shall receive a tax break incentive in the amount of 10 percent of the total annual sales. Conversely, failure to obtain verification will subject the real property owner and business entity to a \$5,000 fine.

(e) Property disclosure statements shall be made available for public record and documented within the real property records in the county of which the real property is subject to criminal marijuana production and law enforcement sanctions. Any real estate broker, agent, or legal counsel representing a real property owner that fails to identify criminal activity regarding any marijuana or narcotics on the form-17 property disclosure form will be subject to a \$5,000 fine. All fines collected from those who impose cannabis crime shall be allocated in United States currency to support roadway cleanup at and around highways and bridges. Supervising authority will be through the Washington state department of transportation and currency held in escrow under its oversight.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Cannabis" means the dried tops of hemp plants (*Cannabis sativa*), which have euphoric principles (tetrahydrocannabinols), classified as a hallucinogen.

(b) "Forfeiture and seizure" means loss of legal title as a consequence to the violation of this section.

(c) "Form-17" means documentation and seller property disclosure statement of real property proposed being sold, and all known history of past remodels, alterations, or unlawful activity shall be made available to any prospective buyer or interested persons.

(d) "Hemp" has the meanings provided for "hemp" and "industrial hemp" in RCW 15.140.020.

(e) "Terrorism hazard" means any method of harassment with the intent to cause mental or physical injury or death for the purpose of advancing the organization of extreme fear and intimidation.

(f) "Tetrahydrocannabinol" means either of two physiologically active isomers C₂₁H₃₀O₂ from hemp plant resin, the chief intoxicant in marijuana.

(g) "Toxin" means the residual chemicals and mold absorbed within the sheetrock and wood or construction materials that occur during irrigation and treatment of cannabis, marijuana, or hemp.

NEW SECTION. **Sec. 3.** This act must be liberally construed to carry out its policies, purposes, and intent.

NEW SECTION. **Sec. 4.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 5.** This act may be known and cited as the cannabis crime shred act.

NEW SECTION. **Sec. 6.** This act takes effect January 1, 2022.

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