

**NISQUALLY INDIAN TRIBE
TRIBAL CODE**

TITLE 30 – COMMERCIAL MARIJUANA ACTIVITY



Nisqually Indian Tribe

TITLE 30
COMMERCIAL MARIJUANA ACTIVITY

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**TITLE 30
COMMERCIAL MARIJUANA ACTIVITY**

**Chapter 1
General Provisions**

Section 30.01.01 Title

This Title shall be known as the Nisqually Indian Tribe Commercial Marijuana Activity Code.

Section 30.01.02 Definitions

Unless a different meaning is clearly indicated herein, the terms used in this Title 30 shall have the meaning designated below.

- (1) "Auditor" means a certified public accountant licensed and in good standing in the State of Washington.
- (2) "Authorization" is defined as stated in RCW 69.51A.010.
- (3) "Board" means the Washington State Liquor and Cannabis Board and its staff.
- (4) "Commercial marijuana activity" means all planting, growing, producing, cultivating, processing and/or selling of marijuana products within Indian country in accordance with this Title 30 and other Tribal law.
- (5) "Compact" means the Marijuana Compact between the Nisqually Indian Tribe and the State of Washington, as it may be amended from time-to-time.
- (6) "Designated provider" is defined as stated in RCW 69.51A.010.
- (7) "Essential government services" means services provided by the Tribe including, but not limited to, administration, public facilities, fire, police, health, education, elder care, general welfare, social services, sewer, water, environmental and land use, transportation, utility services, community development and economic development.
- (8) "Indian country" means all lands within the Nisqually Indian Reservation and all lands held in trust or restricted fee status by the United States for the Tribe or its Tribal members, all as provided in 18 U.S.C. §1151.
- (9) "Marijuana," "marijuana concentrates," "marijuana-infused products" and "useable marijuana" are defined as stated in RCW 69.50.101 or any amendments thereto.

- (10) "Marijuana product" or "marijuana products" means, collectively, marijuana, marijuana concentrates, marijuana-infused products and useable marijuana.
- (11) "Medical marijuana authorization database" is defined as stated in RCW 69.51A.010.
- (12) "Processor" means any marijuana processor licensed to process, package, and label marijuana products for sale at wholesale to retailers and other processors by the Board pursuant to RCW 69.50.325 and/or any marijuana processor in Indian Country licensed or otherwise allowed to do so by the Tribe or any other tribe with a marijuana compact with the Board.
- (13) "Producer" means any marijuana producer licensed to produce and sell marijuana at wholesale to processors and other producers by the Board pursuant to RCW 69.50.325 and/or any marijuana producer in Indian country licensed or otherwise allowed to do so by the Tribe or any other tribe with a marijuana compact with the Board.
- (14) "Qualifying patient" is defined as stated in RCW 69.51A.010.
- (15) "Recognition card" is defined as stated in RCW 69.51A.010.
- (16) "Retailer" means any marijuana retailer licensed to sell marijuana products in a retail outlet by the Board pursuant to RCW 69.50.325 and/or any marijuana retailer in Indian country licensed or otherwise allowed to do so by the Tribe or any other tribe with a marijuana compact with the Board.
- (17) "State" means the State of Washington.
- (18) "State licensee" means any entity licensed by the Board pursuant to chapter 69.50 RCW, chapter 314-55 WAC, or any other regulations promulgated thereunder.
- (19) "State tax" means the marijuana excise tax as stated in RCW 69.50.535 and the State and local sales and use tax on sales of marijuana as stated in chapters 82.08 and 82.12 RCW, all as may be amended from time to time.
- (20) "Tribal code" means the Nisqually Tribal Code.
- (21) "Tribal enterprise" means an entity that is wholly-owned by either (i) the Tribe, or (ii) an entity that is wholly-owned by the Tribe, and that is authorized to produce, process and/or sell marijuana products under this Title.
- (22) "Tribal member" means an enrolled member of the Tribe.
- (23) "Tribal police" means the Nisqually Tribal Police Department.

(24) “Tribal tax” means a tax imposed by the Tribe on certain commercial marijuana activities pursuant to this Title and in accordance with the Compact.

(25) “Tribe” or “Tribal” means or refers to the Nisqually Indian Tribe.

Section 30.01.03 Findings

Historically, starting in 1937, the production, possession, delivery, distribution and sale of marijuana have been illegal across the United States and in Indian country. In 2012, Washington voters passed Initiative 502 (“I-502”) which sets forth a regulated, State-licensed system allowing for the production, processing, and retail sale of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products for recreational purposes within the State. The State has further refined its laws which, along with the rules of the Board, embrace the following priorities: preventing the distribution of marijuana to minors; preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels; preventing the diversion of marijuana from states where it is legal under state law in some form to other states where it is not; preventing State-authorized marijuana activity from being used as a cover or pretext for the trafficking of illegal drugs or other illegal activity; preventing violence and the use of firearms in the cultivation and distribution of marijuana; preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use; preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and preventing marijuana possession or use on federal property.

In moving marijuana from a criminal framework to a civil/regulatory framework, the State no longer has jurisdiction over marijuana cultivation and sales in Indian country. At the same time, if the Tribe were to criminalize marijuana, the Tribe would have a disparity between Tribal citizens and non-citizens with little, if any, assistance from the State with criminal prosecution of non-citizens. In consideration of this jurisdictional gap, and after serious deliberation, the Tribe, as a sovereign nation, has determined that present day circumstances make a complete ban of marijuana within Indian country ineffective and unrealistic. Consequently, the Tribe has decriminalized the sale and possession of marijuana in certain circumstances. Consistent with the priorities described above, the need still exists for strict regulation and control over the production, possession, delivery, distribution, sale, and use of marijuana in Indian country. As such, and in furtherance of the collaborative approach pursued in the Compact, the Tribe adopts this Title to provide a robust regulatory program that embraces the priorities described above.

Section 30.01.04 Tribal Sovereign Immunity and Jurisdiction Preserved

(1) Nothing in this Title is intended nor shall be construed as a waiver of sovereign immunity by the Tribe, or any Tribal department, commission, committee, board,

agency, entity and/or subdivision. This Title does not constitute a waiver of the Tribe's sovereign immunity for any purpose or in any circumstances.

- (2) Nothing in this Title is intended, nor shall be construed, as limiting the jurisdiction of the Tribe or as a grant of jurisdiction to the United States or to a State, local or other tribal government.

Section 30.01.05 Tribal Court Jurisdiction

The Nisqually Tribal Courts shall have jurisdiction over all matters and proceedings arising under this Title 30.

Section 30.01.06 References to Washington State Laws and Regulations

References in this Title to Washington statute (RCW) and Washington regulation (WAC) include the cited titles, chapters and sections as in effect on the effective date of this Title, together with any amendments or renumbering made thereto after the effective date of this Title.

Section 30.01.07 Severability

If any provision of this Title or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Title which can be given effect without the invalid provision or application, and to this end the provisions of this Title are severable.

Section 30.01.08 Effective Date

This Title 30 shall be effective on the date of its approval by resolution of the Nisqually Tribal Council.

Section 30.01.09 Authorized Commercial Marijuana Activity

No person or entity, other than the Tribe and Tribal enterprises, is authorized to engage in Commercial marijuana activity in Indian country by the provisions of this Title 30.

Chapter 2 Taxation

Section 30.02.01 Taxes

- (1) There is hereby levied a Tribal tax on the same activities within Indian country on which the State tax is levied outside Indian country. The Tribal tax is in an amount equal to one hundred percent (100%) of the State tax amount. Should the State tax amount increase or decrease after the effective date of this Title, the Tribal tax amount

shall automatically increase or decrease so as to at all times be and remain equal to the State tax amount.

- (2) The Tribal tax amount shall be collected for remittance to the Tribe within Indian country in the same manner as the State tax is collected for remittance to the State outside Indian country. Tribal taxes shall be paid to the Tribe at the Tribe's Financial Services Office on a monthly basis in arrears no later than the fifteenth (15th) day of the calendar month following the monthly period for which the Tribal tax is due and payable. A completed and executed Tribal tax return, in a form prescribed by the Tribe, shall be submitted with each monthly Tribal tax payment. The remitter shall maintain accurate records of all transactions subject to the Tribal tax for no less than three (3) years, and such records shall be available for inspection by the Tribe or the Tribe's auditor at any time.
- (3) If the monthly Tribal tax amount and Tribal tax return form are not received by the Tribe's Financial Services Office on or before the date when due, a penalty shall be assessed in an amount equal to two percent (2%) of the delinquent Tribal tax amount.
- (4) The Tribe will use the proceeds of the Tribal tax for essential government services and as otherwise determined by the Nisqually Tribal Council.
- (5) The Tribe hereby exempts from the Tribal tax the following:
 - (a) Sales to the Tribe, to Tribal enterprises and to Tribal members that occur within Indian country; and
 - (b) Medical marijuana products used in the course of medical treatments by a clinic, hospital or similar facility owned and operated by the Tribe within Indian country.
- (6) The Tribe may, in its discretion, allow an exemption from the Tribal tax for the following:
 - (a) Sales of marijuana grown, produced or processed within Indian Country; and
 - (b) Activities that would otherwise be exempt from State tax under State or federal law.

Section 34.02.02 Tax Records

Appropriate tax records shall be maintained by the Tribe so that an auditor may verify that the Tribal tax amounts required by this Chapter 2 have been paid to the Tribe.

Chapter 3 Buffer Restrictions

Section 30.03.01 Buffer Restrictions – Class A

Class A Buffer: No commercial marijuana activity may occur within one thousand (1,000) feet of the perimeter of the grounds of any of the following entities, whether they are located within or outside of Indian country:

- (1) Elementary or secondary school; or
- (2) Playground.

Section 30.03.02 Buffer Restrictions – Class B

Class B Buffer: No commercial marijuana activity may occur within one hundred (100) feet of the perimeter of the grounds of any of the following entities, whether they are located within or outside of Indian country:

- (1) Recreation center or facility;
- (2) Child care center;
- (3) Public park;
- (4) Public transit center;
- (5) Library; or
- (6) Any game arcade, where admission is not restricted to persons age twenty-one or older.

Section 30.03.03 Buffer Measurement

Buffer Measurement. The buffer distance shall be measured as the shortest straight-line distance from the property line of the location for a facility for the commercial marijuana activity to the property line of the entities listed in Sections 30.03.01 and 30.03.02 above.

Chapter 4 Production and Processing

Section 30.04.01 Procurement, Production and Processing for Wholesale and Retail Sales

The Tribe or a Tribal enterprise may procure from a producer or processor, and/or produce, harvest, trim, dry, cure, process, package and/or label, marijuana:

- (1) To be provided for sale at retail by the Tribe or a Tribal enterprise;
- (2) To be sold to another tribe with a marijuana compact; or
- (3) To be sold to a State licensee in accordance with the licensee's license type.

Section 30.04.02 Production and Sale of Plant, Seeds and Tissue

The Tribe or a Tribal enterprise may produce and sell:

- (1) Marijuana plants, seed and plant tissue culture to a producer; and
- (2) Marijuana plants to members of a registered cooperative under the conditions provided in WAC 314-55-410.

Section 30.04.03 Quality Standard, Packaging, Labeling, Product Preapproval

- (1) Any marijuana produced and/or processed by the Tribe or a Tribal enterprise must be produced and processed in a safe and secure manner and meet all quality assurance testing requirements in accordance with the Compact, this Title and the Tribe's policies and procedures. Marijuana products must also be packaged and labeled in such a way as to not be especially appealing to children, and for marijuana edibles, must be packaged in child-proof packaging.
- (2) Any marijuana to be sold to a State licensee shall comply with all applicable State laws and regulations regarding quality assurance testing, packaging and labeling, and for marijuana edibles, State preapproval of the product, packaging and labeling prior to sale to the State licensee is required.

Section 30.04.04 Restriction on Minors

No person under the age of 21 years may be present at any marijuana production or processing facility owned by the Tribe or a Tribal enterprise.

Section 30.04.05 Samples

No marijuana samples may be received from any producer or processor or given to another producer, processor, retailer or employee, except in accordance with the Compact, this Title and the Tribe's policies and procedures. Samples provided to a State licensee must also comply with all applicable State laws and regulations regarding sampling.

Section 30.04.06 Storage and Inventory

All marijuana will be stored in a way to minimize theft and in accordance with the Compact, this Title and Tribal policies and procedures. In any event, for each category of marijuana product, no more than six (6) months of average inventory shall be kept on site.

Section 30.04.07 Waste Disposal

All marijuana waste must be disposed of in a way that renders the marijuana unusable and in accordance with the Compact, this Title and Tribal policies and procedures.

Section 30.04.08 Traceability

Any transaction between the Tribe or a Tribal enterprise and a State licensee will be entered into the State traceability system following the same rules as apply to State licensees. All marijuana products sold to any State licensee will be fully traceable in the State's traceability system. Such marijuana products will trace back to the plant(s) they were derived from and include results for all required quality assurance testing. All required test results must be entered into the State's traceability system by a Board-certified testing lab.

Chapter 5 Retail Sales

Section 30.05.01 Retail Sales Authorized

The Tribe or a Tribal enterprise may sell at retail marijuana products in accordance with the Compact and this Title.

Section 30.05.02 Hours of Retail Sales

Hours during which retail sales may occur will be established by the retail operation.

Section 30.05.03 Restrictions on Minors

- (1) No person under the age of 21 years may enter the retail store at which marijuana products are sold or purchase any marijuana product, except that a qualified patient with a recognition card (1) who is at least 18 years of age may enter the retail store and purchase marijuana products for personal medical use or (2) who is under the age of 18 years and is accompanied by their designated provider may enter the retail store, but may not purchase products for their personal medical use.
- (2) The form of identification that is acceptable to verify a person's age for the purpose of purchasing marijuana product must not be expired and must be one of the following:

- (a) Driver's license, instruction permit or identification card issued by any state, province of Canada, U.S. territory or the District of Columbia, or "Identocard" issued by the Washington State Department of Licensing per RCW 46.20.117;
- (b) United States armed forces identification card issued to active duty, reserve and retired personnel and to personnel's dependents, which may include an embedded, digital signature in lieu of a visible signature;
- (c) Passport;
- (d) Merchant Marine identification card issued by the United States Coast Guard; and
- (e) Enrollment card issued by the governing authority of a federally recognized Indian tribe located in Washington, if the enrollment card incorporates security features comparable to those implemented by the Department of Licensing for Washington driver's licenses.

Section 30.05.04 Transaction Limits

- (1) A single transaction is limited to one ounce of useable marijuana, sixteen ounces of marijuana-infused product meant to be eaten or swallowed in solid form, seven grams of marijuana-infused extract or marijuana concentrate for inhalation, and seventy-two ounces of marijuana-infused product in liquid form meant to be eaten or swallowed.
- (2) A single transaction to a qualifying patient or designated provider who is entered into the medical marijuana authorization database is limited to three ounces of useable marijuana, forty-eight ounces of marijuana-infused product meant to be eaten or swallowed in solid form, twenty-one grams of marijuana-infused extract or marijuana concentrate for inhalation, and two hundred sixteen ounces of marijuana-infused product in liquid form meant to be eaten or swallowed.

Section 30.05.05 Postings

The retail store shall post all notices and warnings in accordance with the Compact, this Title and Tribal policies and procedures.

Section 30.05.06 Samples

No free samples of marijuana products may be provided to customers. Samples may be provided to employees in accordance with the Compact, this Title and Tribal policies and procedures.

Section 30.05.07 Intoxicated persons

No marijuana products may be sold to persons who appear to be intoxicated.

Section 30.05.08 Consumption

No marijuana products may be consumed on the retail premises.

Section 30.05.09 Storage and inventory

All marijuana products must be stored in such a way to protect from theft and in accordance with the Compact, this Title and Tribal policies and procedures. No more than four months' inventory may be kept on site.

Section 30.05.10 Waste disposal

All unsold marijuana products will be returned to the entity from which they were purchased or disposed of in accordance with the Compact, this Title and the Tribe's policies and procedures.

Section 30.05.11 Traceability

All marijuana products delivered from a producer or processor licensed by the State will be entered into the State's traceability system within 24 hours of receipt. All marijuana products purchased from a producer or processor operated by another tribe, tribal enterprise or tribal member will be recorded in either the Tribe's or the State's tracking system within 24 hours of delivery.

Chapter 6 Licensing

Section 30.06.01 Entity License Not Required

The Tribe need not be issued a license under Tribal law to engage in commercial marijuana activity. Any Tribal enterprise engaged in commercial marijuana activity will be established pursuant to organizational documentation under Tribal law and need not be issued a license to so engage. The Tribe may revoke any Tribal enterprise organizational document if the Tribal enterprise fails to comply with its obligations under this Title and under the Compact.

Section 30.06.02 Employee License Not Required

Employees of the Tribe or a Tribal enterprise engaged in commercial marijuana activity need not be licensed.

Section 30.06.03 Background Check Requirement

The manager of any Tribal enterprise engaged in commercial marijuana activity must undergo a background check prior to employment. Such manager shall not have been convicted of, or entered a plea of guilty or no contest to, any of the following criminal offenses: any felony within the preceding 10 years, or any other crime involving dishonesty within the preceding 10 years, including, but not limited to, fraud, forgery, possession of a forgery device, theft, counterfeiting, embezzlement and making a false representation.

Chapter 7 Safety and Security

Section 30.07.01 Alarm System Requirements

A security alarm system must be maintained on all perimeter entry points and perimeter windows of structures within which commercial marijuana activity occurs. The security alarm system shall comply with the Compact, this Title and Tribal policies and procedures.

Section 30.07.02 Camera and Surveillance System Requirements

Cameras must cover the entire premises on which commercial marijuana activity occurs, including all points of ingress and egress. The camera and surveillance system specifications, including the time period for which recordings must be maintained, shall comply with the Compact, this Title and Tribal policies and procedures.

Section 30.07.03 Employee Identification Requirements; Logging Requirements

- (1) All employees on the premises or engaged in the transportation of marijuana products shall hold and display an identification badge, including name and photograph.
- (2) All nonemployee visitors, other than retail store customers, shall be required to hold and properly display an identification badge at all times while on the premises.
- (3) A log must be kept and maintained showing the full name of each nonemployee visitor, other than retail store customers, entering the premises, badge number issued, the time of arrival, time of departure and the purpose of the visit.

Section 30.07.04 Transport of Product

All transportation of product to or from a State licensee located outside Indian country shall comply with State transportation laws. All other transportation of product shall comply with the Compact, this Title and Tribal policies and procedures.

Chapter 8 Advertising and Signage

Section 30.08.01 Restrictions on Content in Signage and Advertising

The Tribe or a Tribal enterprise may display signage or engage in advertising within Indian country. Such signage or advertising shall not contain any statement or illustration that:

- (1) Is false or misleading;
- (2) Promotes overconsumption of marijuana products; or
- (3) Is designed in a manner that would be especially appealing to children or persons under 21 years of age.

Section 30.08.02 Buffer Restrictions on Signage and Advertising

All signage and advertising shall be consistent with the buffer requirements contained in Chapter 3 of this Title.

Section 30.08.03 Additional Restrictions on Signage and Advertising

Any signage or advertising located outside of Indian country shall comply with RCW 69.50 and WAC 314-55.

Chapter 9 Medical Marijuana

Section 30.09.01 Compliant Medical Marijuana Products Authorized

Compliant products. The Tribe or a Tribal enterprise may produce, process and/or sell marijuana for medical use, as follows:

- (1) Produced or processed. Any marijuana products produced and processed by the Tribe or a Tribal enterprise for sale to a State licensee as a compliant marijuana product must meet the standards established by WAC 246-70.
- (2) Sold at retail. Any marijuana products sold by the Tribe or a Tribal enterprise at retail as a compliant marijuana product must meet the standards established by WAC 246-70.

Section 30.09.02 Recognition Cards

At a retail outlet, the Tribe or a Tribal enterprise may accept valid authorizations, enter data into the medical marijuana authorization database and issue recognition cards to qualifying patients

and designated providers consistent with the Compact, this Title and Tribal policies and procedures. All recognition cards will meet the standards established by WAC 246-71-040(3).

Section 30.09.03 Access to Medical Marijuana Authorization Database

- (1) All employees of the retail outlet will have access to the medical marijuana authorization database sufficient to electronically verify whether a recognition card is valid.
- (2) Only employees of the retail outlet with the proper training and certification as a medical consultant under the standards established by WAC 246-72 will have access to the medical marijuana authorization database necessary to enter new qualifying patients and designated providers into the database and issue a recognition card or to enter information to obtain a renewed or replacement recognition card.
- (3) Notwithstanding the foregoing, Tribal police and prosecutorial officials will have access to the database consistent with the provisions of RCW 69.51A.230(1)(d).

Section 30.09.04 Confidentiality and Nondisclosure

- (1) No records from the medical marijuana authorization database shall be disclosed, other than as permitted herein.
- (2) Any person over whom the Tribe has criminal jurisdiction and who knowingly or intentionally accesses or discloses information from the medical marijuana authorization database other than as permitted in this Chapter commits a crime that is hereby designated as a class I offense under Title 10 of the Tribal code.

Chapter 10 Compliance and Enforcement

Section 30.10.01 Premise and Compliance Checks Authorized

The Tribal police may conduct premises and compliance checks of any commercial marijuana activity to observe compliance with the Compact, this Title and Tribal policies and procedures, as well as to provide support and education to a Tribal enterprise and staff to ensure any problems are corrected. For any serious or ongoing non-compliance issues that arise, results will be reported to the Nisqually Tribal Council.

Section 30.10.02 Use of Minors for Premise and Compliance Checks

Notwithstanding the prohibition on minors contained in this Title, the Tribal police may use minors who are 18, 19, or 20 years of age to conduct minor compliance checks. No criminal

action may be taken against any minor who purchases marijuana as part of such compliance check.

Chapter 11 Insurance and Indemnity

Section 30.11.01 Insurance Requirements – General

Marijuana licensees shall have insurance coverage as set forth in Section 30.11.02. The intent of the insurance requirement is to protect the consumer should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of a marijuana licensee. Marijuana licensees shall furnish evidence in the form of a certificate of insurance satisfactory to the Board that insurance, in the kinds and minimum amounts set forth in Section 30.11.02, has been secured. Failure to provide proof of insurance may result in license cancellation.

Section 30.11.02 Coverages

- (1) Commercial general liability insurance. A licensee shall at all times carry and maintain commercial general liability insurance and commercial umbrella insurance for bodily injury and property damage arising out of licensed activities. The insurance shall cover such claims as may be caused by any act, omission or negligence of the licensee or its officers, agents, representatives, assigns or servants. The insurance shall cover bodily injury, including disease, illness and death, and property damage arising out of the licensee's premises/operations, products and personal injury. The limits of liability insurance shall not be less than one million dollars.
- (2) Insurance carrier rating. The insurance required in subsection (1) of this section shall be issued by an insurance company authorized to do business within the State of Washington that has a rating of A – Class VII or better in the most recently published edition of Best's Reports.
- (3) Additional insured. The Tribe, or the Tribal enterprise, and its employees, agents and officials, shall be named as additional insureds on all general liability, umbrella and excess insurance policies. All policies shall be primary over any other valid and collectable insurance.

Section 30.11.03 Indemnified Parties; Limitations; Definitions

The Tribe will indemnify any Tribal Council member, Tribal enterprise board member and employee or manager of the Tribe or a Tribal enterprise made party to any proceeding because of their role in commercial marijuana activity against personal liability incurred in a proceeding if:

- (1) The individual acted in their official capacity;

- (2) The individual acted in good faith;
- (3) The individual reasonably believed their conduct was in the best interests of the Tribe;
and
- (4) The individual acted in accordance with this Title, the Compact and Tribal policies and procedures.

The term "proceeding," as used in this Section 30.11.03, means any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative or investigative, related to commercial marijuana activity.

The term "liability," as used in this Section 30.11.03, means the obligation to pay a judgment, settlement, penalty, fine or reasonable expenses, including legal expenses, incurred with respect to a proceeding.