

MARIJUANA COMPACT
between
THE STATE OF WASHINGTON
and
THE PUYALLUP TRIBE OF INDIANS
including
AMENDMENT NO. 1

I. INTRODUCTION

This compact is entered into pursuant to House Bill 2000, Chapter 207, Laws of 2015 (the “Compacting legislation”). This document will be cited as the “Marijuana Compact between the Puyallup Tribe of Indians and the State of Washington, hereinafter referred to as the “Compact.” This Compact consists of the original document adopted by the parties effective January 25, 2016, as well as the content of Amendment No. 1 adopted effective June 29, 2016.

II. PARTIES

The Parties to this Compact are the Puyallup Indian Tribe (“Tribe”) and the State of Washington (“State”), (collectively, “Parties”).

The Tribe is located on the Puyallup Indian Reservation and is a federally-recognized sovereign Indian tribal government.

The State of Washington is a state within the United States of America, possessed of the full powers of a state government. The Washington State Liquor and Cannabis Board (“Board”) is an executive department of the State government operating under the authority of the Governor, with statutory authority with respect of marijuana under RCW chapters 69.50 and 69.51A.

III. PURPOSE AND INTENT

Historically, 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 tightly 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 of Washington.

While the federal Controlled Substances Act continues to designate marijuana as a Schedule 1 substance, the United States Department of Justice on August 29, 2013, issued a memorandum to all United States Attorneys setting forth guidance regarding marijuana enforcement. In that memo, James M. Cole, Deputy Attorney General, set forth eight enforcement priorities of particular importance to the federal government, including: 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; preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other 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. The memo further states that the focus of federal law enforcement resources and efforts will be on those whose conduct interferes with the stated priorities and that state and local governments should provide sufficiently robust regulatory and enforcement systems to protect against these harms.

On October 28, 2014, the United States Department of Justice issued another memorandum to all United States Attorneys providing a policy statement regarding marijuana issues in Indian Country. In that memo, Monty Wilkinson, Director, Executive Office for United States Attorneys, acknowledged that “[t]he eight priorities in the Cole Memorandum will guide United States Attorneys’ marijuana enforcement efforts in Indian Country, including in the event that sovereign Indian Nations seek to legalize the cultivation or use of marijuana in Indian Country.” That memo effectively treats tribal governments the same as state governments in the decision to legalize marijuana.

Through State law and the Board's implementing rules, the State has legalized possession of limited amounts of marijuana and the production, processing, and sale of marijuana by licensed businesses and has attempted to set forth a civil regulatory system that accomplishes the federal priorities set forth above and keeps marijuana production, processing, and sale in the State regulated and safe for the public. After serious deliberation, the Tribe, as a sovereign nation, has also determined that present day circumstances make a complete ban of marijuana within Indian Country ineffective and unrealistic and has decriminalized [its sale and possession] in certain circumstances. At the same time, consistent with the federal priorities, the need still exists for strict regulation and control over the production, possession, delivery, distribution, sale, and use of marijuana in Indian Country.

The State and the Tribe have recognized the need for cooperation and collaboration with regard to marijuana in Indian Country. The State has authorized the entry of this Compact by the Compact legislation, enacted by the 2015 Regular Session of the Legislature on April 24, 2015, signed by the Governor on May 8, 2015, effective July 24, 2015. Through this legislation, the State authorized the Governor to enter agreements concerning the regulation of marijuana and to delegate the authority to negotiate the agreements to the Board.

The Parties share a strong interest in ensuring that marijuana production, processing, and sales in Indian Country are well-regulated to protect public safety and community interests. The Parties acknowledge that pursuant to federal law, 21 U.S.C. § 812, marijuana is a Schedule I controlled substance and that this Compact does not protect the sales or regulation of marijuana in Indian Country from federal law; however, the Parties have entered into this Compact in order to strengthen their ability to meet these mutual interests and to provide a framework for cooperation to ensure a robust tribal and state regulatory and enforcement system sufficient to meet the federal priorities.

The Parties agree that it is in the best interests of the Tribe and the State that they further implement the government-to-government relationship between them as recognized in the Centennial Accord of August 4, 1989, by entering into a compact to enhance public health and safety, including development of safe and effective medical marijuana as a treatment alternative in appropriate cases. The initial version of this Compact as modified by Amendment No. 1 addresses three elements of the broader subject area of marijuana: the opening and operation of a testing lab by the Tribe, the production and processing of marijuana, and the retail sale of marijuana by the Tribe.

The Parties anticipate that they will later amend this Compact to add other elements of the broader subject area of marijuana to the agreement, in order to ensure a lawful and well-regulated marijuana market, encourage economic development in Indian Country, and provide fiscal benefits to both the Tribe and the State.

IV. DEFINITIONS

A. “Auditor” means a certified public accountant licensed and in good standing in the State of Washington.

B. “Board” means the Washington State Liquor and Cannabis Board and its staff.

C. “Compact” means this Marijuana Compact Between the State of Washington and the Puyallup Tribe of Indians, as it may be amended.

D. “Indian Country” consistent with RCW 43.06.465(14)(a), means the lands of the Puyallup Tribe of Indians

E. “Marijuana,” marijuana concentrates,” “marijuana-infused products,” and “useable marijuana” as used this Compact shall have the same meanings as in RCW 69.50.101 or any amendments thereto. Together, these terms shall be referred to as “marijuana products” or “marijuana products.”

F. “Parties” means the State and the Tribe.

G. “PTOITL, Inc.” means the Puyallup Tribe of Indians Testing Lab, Inc., a corporation chartered under Puyallup Tribal law and wholly owned by the Tribe.

H. “Processor” means any marijuana processor licensed by the Board pursuant to RCW 69.50.325 or allowed by the Tribe or other any tribes with marijuana compacts with the Board to process marijuana into useable marijuana, marijuana concentrates, and marijuana-infused products, package and label useable marijuana and marijuana-infused products for sale to retailers and sell useable marijuana and marijuana-infused products at wholesale to retailers.

I. “Producer” means any marijuana producer licensed or otherwise allowed by the Board pursuant to RCW 69.50.325 or allowed by the Tribe or any other tribes with

marijuana compacts with the Board to produce and sell marijuana at wholesale to processors and other producers.

J. “Retailer” means any marijuana retailer licensed or otherwise allowed by the State pursuant to RCW 609.50.325 or allowed by the Tribe or any other tribes with marijuana compacts with the Board to sell useable marijuana, marijuana concentrates, and marijuana-infused products in a retail outlet.

K. “State” means the State of Washington.

L. “State Licensee” means any marijuana producer, marijuana processor, or marijuana retailer licensed by the Board pursuant to RCW 69.50, RCW 69.51A, WAC 314-55, or any other regulations promulgated under those RCW chapters, as amended.

M. “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 RCW 82.08 and RCW 82.12, all as may be amended from time to time.

N. “Tribal Police” means the Puyallup Tribal Law Enforcement Division.

O. “Tribe” means the Puyallup Tribe of Indians.

P. “Tribal Member Business” means a business owned by an enrolled member of the Tribe.

V. GENERAL MATTERS

A. Sovereign Immunity. The Parties agree that, except for the limited purpose of resolving disputes in accordance with section IX, below, the signing of this Compact by the Tribe does not imply a waiver of sovereign immunity by the Tribe or any of its subdivision or enterprises and is not intended as a waiver of sovereign immunity and that any action by the State in regard to marijuana regulation by the Tribe shall be in accord with this Compact.

B. Tribe Does Not Submit to State Jurisdiction. By entering into this Agreement, the Tribe does not concede that the laws of the State apply to the Tribe, its businesses, agents, or members regarding activities and conduct within Indian country.

C. State Does Not Concede Tribal Immunity. By entering into this Agreement, the State does not concede that the Tribe has any immunity from the State's tax and collection provisions.

D. Agreement Does Not Create any Third Party Beneficiaries. No third party shall have rights or obligations under or be considered a beneficiary of this Agreement.

E. Jurisdiction. This Agreement does not increase or reduce the jurisdiction of either the Tribe or the State.

F. No Limitation. The Parties agree that the signing of this Compact and the resultant benefits and obligations shall not be construed as limiting any otherwise lawful activity of the Tribe or its subdivisions or enterprises nor subject the Tribe or its subdivisions or enterprises to any State jurisdiction not agreed to in this Compact.

G. Applicability. This Compact applies to the production, processing, and sale of marijuana products in Indian Country where the Tribe or Tribal Enterprise (i) delivers or causes delivery to be made to or receives delivery of marijuana products from a State Licensee or (ii) physically transfers possession of marijuana products from the seller to the buyer. This compact also applies to the operation of a testing lab by the Tribe.

H. State Licensees.

1. The Tribe and Tribal enterprises may purchase marijuana products from or sell marijuana products to State Licensees or any other entity operating under a valid agreement authorized by the Compacting legislation, including any amendments thereof, with or otherwise authorized by the State. All transactions between the Tribe or Tribal Enterprise and State Licensees must be executed through the State traceability system, and marijuana products purchased from or sold to State Licensees must be packaged, tested and labeled in compliance with State marijuana laws and rules.
2. The State will not cite, fine, or otherwise take any other adverse licensing or other action against any State Licensee for the mere fact that it bought or sold marijuana products from or to the Tribe or a Tribal Enterprise in accordance with the terms of this Compact, Tribal law and State Laws and rules.

3. To the extent necessary, the State will work with the Tribe and with any State Licensees or otherwise authorized producers, processors, or retailers to assure such entities that the Tribe and Tribal Enterprises are legally authorized to purchase and sell marijuana products pursuant to the terms of this Compact.

I. References to Laws, Rules and Policies. References herein to Tribal ordinances, Tribal and State laws, and to Tribal, State, and Board rules and policies, include ordinances, laws, rules, and policies in existence as of the effective date of this Amendment No. 1, together with any amendments that may be adopted during the term of the Compact. References herein to specific titles, chapters, or sections of the Puyallup Tribal Codes, the Revised Code of Washington, or the Washington Administrative Code, include the cited titles, chapters, and sections as they exist on the effective date of this Amendment No. 1, together with any amendments or renumbering that may be adopted during the term of this Compact.

VI. PUYALLUP TRIBAL TESTING LAB

A. Wholly-Owned Tribal Corporation. The Tribe has informed the Board that the Tribe has chartered under Tribal law a non-profit corporation, the PTOI Testing Lab, Inc. The corporation is authorized to conduct one and only one activity: operation of a commercial testing lab that will for a fee conduct scientific and safety testing services for substances including cannabis. The initial location of the Testing Lab will be 3700 Pacific Highway East, 4th Floor, Fife, WA, 98424.

B. Certification. The Tribe will obtain and maintain certification consistent with Board rules including any amendments thereto, from the Board or the Board's vendor before conducting testing for State Licensees, and will conduct no testing for State Licensees during any period in which the Tribe's Testing Lab is not certified. The Tribe must pay all vendor fees for certification, recertification, and ongoing monitoring directly to the vendor. The Tribe has informed the Board that the Tribe's Testing Lab will meet the Board's certification criteria to be certified as a lab that meets the standards in state law for conducting quality assurance testing consistent with Board rules.

C. Testing Standards. The Tribe's Testing Lab will perform the tests described in the Board rules when conducting testing for State Licensees.

D. Federal Standards. The Tribe has informed the Board that it will conduct operations of the Testing Lab in a manner consistent and in compliance with the standards set forth by the United States Department of Justice in the Cole Memorandum and in other documents relevant to the enforcement of laws dealing with marijuana.

E. Clientele. The Parties recognize that the Tribe's Testing Lab will be offering its services to, among others, State-licensed producers, processors and retailers of marijuana, marijuana concentrates, and marijuana-infused products. The Tribe will obtain certification from the Board or the Board's vendor before conducting testing for State Licensees, and will conduct no testing for State Licensees during any period in which the Tribe's Testing Lab is not certified. When conducting testing for State Licensees, the Tribe's Testing Lab will report all required quality assurance test results directly into the Board's seed-to-sale traceability system within twenty-four hours of completion and record in the Board's seed-to-sale traceability system an acknowledgment of the receipt of samples from state-licensed producers or processors and verify if any unused portion of the sample was destroyed.

F. Notice to Local Jurisdictions. The Parties agree that it is in the best interests of both Parties that notice be provided to neighboring jurisdictions prior to the commencement of operations of any business involving marijuana. The Tribe has informed the Board that it has already given notification to the City of Fife, within whose city limits the Testing Lab will be located, and indicates that it will provide the same notice to the Cities of Tacoma and Puyallup, to Pierce County, and to the Port of Tacoma. The Parties agree that the purpose of the notice is to facilitate an exchange of information that may be helpful to all parties for dealing with any concerns that neighboring jurisdictions may have. The Parties recognize that this notice is a matter of intergovernmental courtesy and is not required by state law.

G. The Tribe's Testing Lab may conduct quality assurance testing on marijuana product(s) produced or processed by the Tribe or Tribal Enterprise, as provided for herein.

1. In accordance with WAC 314-55-102(2), for marijuana products produced by the Tribe or Tribal Enterprise for sale to a State Licensee, the Tribe shall ensure that the products are tested by a certified third-party testing lab in which the Tribe has no financial interest, and that the products comply with all legal and regulatory testing and product requirements. At its option, the Tribe's Testing Lab may also test such products. No label or statement of testing results shall appear on a marijuana product that differs from the results determined by the certified third-

party testing lab in which the Tribe has no financial interest. The label or statement may, however, contain information that supplements or is in addition to results determined by the third-party lab.

2. The Tribe's Testing Lab may perform the tests described in the Board rules when conducting testing of marijuana products produced by the Tribe or Tribal Enterprise (1) for sale by the Tribe or Tribal Enterprise at a retail location within Indian Country, or (2) for use at the Tribe's Salish Cancer Center or other medical facility operated by the Tribe or by a corporation wholly-owned by the Tribe in Indian Country.

VII. PRODUCTION AND PROCESSING

A. Producing and Processing of Marijuana Products. The Tribe may allow the production and processing of marijuana products in Indian Country pursuant to the following terms:

1. Initial Producing and/or Processing Location. The first two Producing and/or Processing locations will be operated by the Tribe or by a Tribal enterprise wholly-owned by the Tribe at 3640 Taylor Way, Tacoma, WA, 98421, and 1850 Alexander Avenue, Tacoma, WA, 98421. These locations are both on land held by the United States in trust for the Tribe within the 1873 Survey Area.
2. Production and/or Processing by the Tribe or a Tribal enterprise. The Tribe shall notify the State at least 90 days prior to the start of operations of any Producer or Processor owned by the Tribe or a Tribal Enterprise. Only new Producing and/or Processing locations and not the locations set forth in Section VII (A)(1), above, shall be subject to this Section. Such notifications shall include:
 - a. The identity of the entity which is operating the Producer or Processor locations;
 - b. Location of the premises; and
 - c. Certification that the premises is located in Indian Country.

3. Conditions on Producers and Processors.

- a. Production and processing of marijuana products by the Tribe and any Tribal Enterprise must be conducted in accordance with Title 14, Chapter 8 of the Puyallup Tribal Codes, Tribal Ordinances and the internal policies and controls of the Tribe or Tribal Enterprise. The official and up-to-date version of Chapter 14.08 and the policies and controls will continue to be maintained on the Tribe's website. A copy of Chapter 14.08 is attached to this Compact as Exhibit A. The Tribe agrees to notify the Board of any changes to Tribal law that may affect marijuana products within ten days of the date of adoption by the Tribe.
- b. The State requires marijuana products sold by Producers or Processors to State Licensees be packaged, tested and labeled in compliance with State marijuana laws. With respect to "edibles" this may include State preapproval of the product, packaging, and labeling before sale to State Licensees; provided, that such preapproval shall not be unreasonably withheld and shall be timely provided. All transactions between the Tribe or Tribal Enterprises and State Licensees will be executed through the state traceability system following the same rules as State Licensees. All marijuana products sold to State Licensees will be fully traceable in the state's traceability system. 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 traceability system by a Board certified testing laboratory.
- c. To maintain community safety, marijuana businesses in Indian Country must follow buffer zone requirements outlined in RCW 69.50.331 (8)(a); provided, however, that those requirements shall apply only in cases of facilities identified in section 331 that were located and opened before the Tribe opened the marijuana business in question; and provided further, that it shall not be deemed a violation of this section for the Tribe to permit the same types of exceptions to those requirements that subsections (b) and (c) of section 331 allow cities, counties, and towns to adopt.

4. Production and/or Processing by a Tribal Member Business. The current Puyallup Tribal Ordinance does not permit production or processing by a Tribal Member Business of marijuana products in Indian Country. However, if the Puyallup Tribal Ordinance is revised to allow it, then the Tribal Member Business may not purchase from or sell to a State Licensee until such time as this Compact is amended to allow it.

VIII. RETAIL SALES

The Tribe and/or any Tribal Enterprise wholly owned by the Tribe may sell marijuana products in Indian Country pursuant to this Compact and the Tribal Ordinance governing those sales.

A. Initial and subsequent locations for retail sale of marijuana. The Tribe does not yet have a site picked out for the location of retail sales by the Tribe. When it does, it will notify the State at least 30 days in advance of the opening of the retail business. The Tribe shall further notify the State at least 30 days prior to the opening of any other retail business selling marijuana or marijuana products. Such notifications shall include:

1. The identity of the entity which is operating the retail location;
2. Location of the premises; and
3. Certification that the premises is located in Indian Country.

B. Conditions on Retail Sales.

1. Retail sales of marijuana products by the Tribe and any Tribal enterprise wholly owned by the Tribe must be conducted in accordance with the Tribal Ordinance and the internal policies and controls of the Tribe or the Tribal Enterprise wholly owned by the Tribe. A copy of the Tribal Ordinance as it exists on the date of the adoption of this Section VIII, Retail Sales, of the Compact is attached as Exhibit A. The current version of the Tribal Ordinance will always be available on the Tribe's website. A current copy of the marijuana internal policies and controls of the Tribe will be made available for review by the Board upon request. The Tribe agrees to notify the Board of any changes to the Tribal

Ordinance that affect marijuana products within ten days of the date of adoption by the Tribe.

2. All marijuana products purchased for retail sale by the Tribe from a State-licensed producer or processor will be verified upon delivery in Indian Country, and confirmation of receipt will be made by executing the delivery invoice. The Tribe will input or cause to be input all delivered purchases into the State's traceability system within 24 hours of making any such delivery.
3. All marijuana products purchased by the Tribe or a Tribal Enterprise wholly owned by the Tribe from the Tribal Government, Tribal Enterprise, or member of another federally recognized Indian Tribe with a reservation located within the state of Washington, or sold by the Tribe or a Tribal Enterprise wholly owned by the Tribe to the Tribal Government, Tribal Enterprise, or member of another federally recognized Indian Tribe with a reservation located within the state of Washington, will be recorded in either the Tribe's or the State's traceability system within 24 hours of any such receipt or delivery. The Tribe and any Tribal Enterprise wholly owned by the Tribe will make such records available for review by the Board upon request.
4. To maintain community safety, marijuana businesses in Indian Country must follow buffer zone requirements outlined in RCW 69.50.331 (8)(a); provided, however, that those requirements shall apply only in cases of facilities identified in section 331 that were located and opened before the Tribe opened the marijuana business in question; and provided further, that it shall not be deemed a violation of this section for the Tribe to permit the same types of exceptions to those requirements that subsections (b) and (c) of section 331 allow cities, counties, and towns to adopt.

C. Retail Sales by a Tribal Member Business. The current Puyallup Tribal Ordinance does not permit retail sales by a Tribal Member Business of marijuana products in Indian Country. However, if the Puyallup Tribal Ordinance is revised to allow it, then the Tribal Member Business may not purchase from or sell to a State Licensee until such time as this Compact is amended to allow it.

IX. NOTICE TO LOCAL JURISDICTIONS

A. The Parties agree that it is in the best interests of both Parties that notice be provided to neighboring jurisdictions prior to the commencement of operations of a Producer, Processor, or Retailer.

1. When the Tribe or any other Tribal enterprise proposes to open a new Producer, Processor, or Retailer the Tribe will provide, at least 30 days prior to the commencement of operations, written notice to Pierce County and to the cities in and adjacent to which the activity will occur. The Parties agree that the purpose of the notice is to facilitate an exchange of information that may be helpful to all parties concerned in addressing unanticipated impacts with the understanding that such notice related to Indian country is a matter of intergovernmental courtesy and not required by state law.
2. In accordance with the direction of the Legislature to address problems arising out of cross-border commerce, when any business that is not a Tribal business applies to the Board for a Producer, Processor or Retailer license for a location in Indian country, the Board agrees that such license will not be granted without the person or business first obtaining express written consent of the Tribe. The Tribe agrees to respond to the express written consent request within 20 days of the Local Authority notification from the Board, if the Tribe is non-responsive, the Board will assume concurrence. The parties will administer this paragraph in a manner consistent with the "Agreement between the Puyallup Tribe of Indians, local Governments in Pierce County, the State of Washington, the United States of America, and certain private property owners", dated August 27, 1988.

X. TAXATION AND RECORD-KEEPING

A. State taxes. The Parties recognize that Section 2(2)(a) of Chapter 207, Laws of 2015 provides that "Each marijuana agreement adopted under this section must provide for a tribal marijuana tax that is at least one hundred percent of the state marijuana excise tax imposed under RCW 69.50.535 and state and local sales and use taxes on sales of marijuana." The Parties further recognize that Sections 3, 4, and 5 of

Chapter 207, Laws of 2015 provide exemptions from certain state taxes under the circumstances described in those sections.

1. The Parties agree that the activities of the Tribe's Testing Lab, as described in this Compact, are not sales of marijuana and are outside the scope of the tax provisions of RCW 69.50.535 and Chapter 207, Laws of 2015.
2. Pursuant to RCW 69.50.555 no State Tax or fee, assessment, or other charge imposed by RCW 69.50 or 69.51A may be assessed against or collected from the Tribe, Tribal Enterprise, or retail customer purchasing from the Tribe or Tribal Enterprises if covered under the provisions of this Compact.

B. Tribal Tax.

1. Testing Lab. The Tribe will determine, in its discretion, whether to impose and assess any Tribal tax on transactions between the Testing Lab and customers. Tribal taxation for any activities beyond the scope of this Compact will be negotiated by the parties pursuant to XI.B of this Compact.
2. Sales of marijuana products. The Tribe shall impose and maintain a Tribal Tax that is equal to at least 100 percent of the State Tax on all sales of marijuana products in Indian country, except that, consistent with RCW 43.06.490(2), the tribe may allow an exemption from tax for sales to the Tribe, Tribal Enterprise, Tribal Member Business, or an enrolled member of the Tribe [,] on marijuana grown, produced, or processed within Indian Country, or for transactions otherwise exempt from state marijuana taxation under state or federal law. Medical marijuana products used in the course of medical treatment by a clinic, hospital, or similar facility owned and operated by the Tribe within Indian Country are exempted from tax. The Tribe may choose to levy a Tribal Tax on any transaction that may otherwise be exempt.
3. While not required under State law, the Tribe agrees to use the proceeds of the Tribal Tax for Essential Government Services.

4. At the State's request, the Tribe will retain, at its own expense, an Auditor to test the Tribe's compliance with this section X of the Compact. The Auditor will review a sample of records to verify the requirements of this section and will provide the State with a report detailing the results of the testing procedures, to include identification of any instances of noncompliance with the terms of this section.

C. Financial Record-Keeping. The Testing Lab will maintain financial records according to generally accepted accounting principles and will provide to the Board copies of its quarterly financial statements.

D. Quality Assurance Testing Records. The Testing Lab will maintain all records associated with testing equipment, testing supplies, equipment maintenance, and tests conducted for State Licensees on the Testing Lab premises for a minimum of three years. Records must be made available to the Board or Board's representative upon request.

E. Auditor. The Tribe will retain at its own expense an Auditor to perform an annual review of the financial records of the Testing Labs and to offer an opinion on whether the records are a fair presentation of the financial performance and condition of the Testing Lab. The Tribe will provide a copy of each of those annual reviews to the Board.

XI. SAFETY AND ENFORCEMENT

A. Premises Checks.

1. By the Tribe. The Tribe retains its inherent authority, subject to applicable law, to conduct premises checks in facilities operated by the Tribe, Tribal Enterprises, and Tribal Member Businesses. The Tribe will share the results of such premises checks with the Board.
2. By the Board. The Board through its staff may also conduct premises checks. Prior to conducting any such check, the Board will contact the Puyallup Tribal Police to provide reasonable notice of such premises check. Except as provided in subsection (B) below, the Tribal Police may observe and participate in all such premises checks. The Board will share the results of such premises checks with the Tribe.

3. Testing Labs Premises Checks. The Board through its staff or its vendor contracted to certify third party testing labs may conduct premises checks at the Testing Lab consistent with the general standards in the Board rules. Prior to conducting any such check, the Board will contact the Puyallup Tribal Police to provide reasonable notice of such premises check. Except as provided in subsection (A) (4) below, the Tribal Police may observe and participate in all such premises checks. The Board will share the results of such premises checks with the Tribe.

4. Cooperation. Both Parties will cooperate in good faith to undertake all Board-requested checks jointly. The Tribal Police will make reasonable efforts to arrange and conduct all Board-requested premises checks within 24 hours of being provided written notice of such request by the Board. All such written notices shall be sent to the Chief of Police and Chairman of the Tribal Council of the Tribe. However, if the Tribal Police are unable or unwilling to arrange and conduct such requested premises check within 48 hours after receiving the original written notice the Board may then perform the premises check on its own without involvement of the Tribal Police. Should either Party have any concerns arising out of a premises check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the premises checks themselves or of the operation of the facility in question.

B. Compliance Check – Minors.

1. By the Tribe. The Tribe may conduct its own compliance checks at its facilities using minors age 18, 19, or 20. The Tribe will provide the results of the checks to the Board. No criminal action will be taken against any minor who purchases marijuana as part of such a compliance check.

2. By the Board. Board staff may also conduct compliance checks. Prior to conducting any such check, the Board will contact the Tribe's Tribal Police to provide reasonable notice of such compliance check. Except as provided in subsection X (B) (3), below, the Tribal Police must observe and participate in all compliance checks. The Board will share the results of such compliance checks with the Tribe.

3. Cooperation. Both Parties will cooperate in good faith to undertake all Board-requested checks jointly. The Tribal Police will make reasonable efforts to arrange and conduct all Board-requested compliance checks within 24 hours of being provided written notice of such request by the Board. All such written notice shall be sent to the Chief of Police and Chairman of the Tribal Council of the Tribe. However, if the Tribal Police are unable or unwilling to arrange and conduct such requested compliance check within 48 hours after receiving the original written notice the Board may then perform the compliance check on its own without involvement of the Tribal Police. Should either Party have any concerns arising out of a compliance check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the compliance checks themselves or of the operation of the facility in question.

C. Transportation Outside Indian Country. Transportation of marijuana products outside the boundaries of Indian Country shall be conducted in compliance with state law and Board rules.

XII. DISPUTE RESOLUTION

A. Process Required. Neither Party, nor any officer or official acting on behalf of a Party, may petition any court to enforce this Compact unless (y) the dispute resolution process described in this section IX has been followed in good faith to completion without successful resolution or (z) the other Party fails to enter into the dispute resolution. Should a dispute arise between the Parties regarding compliance with this Compact by either Party, the Parties will attempt to resolve the dispute through the following dispute resolution process:

1. Notice. Either Party may invoke the dispute resolution process by notifying the other, in writing, of its intent to do so. The notice must set out the issues in dispute and the notifying Party's position on each issue. If the Board finds that the Tribe's Testing Lab is out of compliance with the requirements of the Board rules, the Board may notify the Tribe that its lab is no longer certified to perform quality assurance testing for Board licensees. The Tribe's Testing Lab will stop conducting testing for State Licensees until the certification is in good standing.

2. Meet and Confer. The first stage of the process will include a face-to-face meeting between representatives of the two Parties to attempt to resolve the dispute by negotiation. The meeting must be convened within 30 days after the receiving Party's receipt of the written notice described in subsection (1), above. The representatives of each Party will come to the meeting with authority to settle the dispute. If the dispute is resolved, the resolution will be memorialized in a writing signed by the Parties.

3. Mediation. The second stage of the process will be that if the Parties are unable to resolve the dispute within sixty (60) days after receipt of the initial written notice, the Parties will engage the services of a mutually agreed-upon qualified mediator to assist them in attempting to negotiate the dispute. Costs for the mediator will be divided equally by the Parties. The Parties will pursue the mediation process in good faith until the dispute is resolved or until ninety (90) days after the date of the mediation demand, whichever occurs first. The Parties may continue mediation after the 90-day period by mutual agreement. If the Parties cannot agree on a format for the mediation process, the format will be determined by the mediator. If the dispute is resolved, the resolution will be memorialized by the mediator in a writing signed by the Parties, which will bind the Parties.

4. Procedure if the Dispute Remains Unresolved. After completion of the process described in XII.A.1-3 or one hundred eighty (180) days after the written notice described in XII.A.1, whichever occurs first, either Party may terminate this Compact upon thirty (30) days' written notice sent to the persons listed in XIII.B.

B. Most Favored Nation Provision in Another Compact. If at any time after the effective date of this Compact, the State enters into an agreement, compact or consent decree with any other federally-recognized Indian tribe or governmental agency thereof dealing with the regulation of marijuana in Indian Country consistent with RCW 43.06.465(14)(a), which includes a "most favored nation" provision, then, upon the Tribe's written request, this Compact will be amended to include such provision. A "most favored nation" provision is defined as language by which the State agrees to accord a tribe or tribal government agency the same favorable terms that are offered in later agreements with any other tribe or tribal government agency. This will not be construed to require that the State offer the Tribe the option to receive the same terms offered to every tribe or tribal government agency, in the absence of a most favored nation provision in the Compact.

C. Defense of This Compact. In any action filed by a third party challenging either the Tribe's or the State's authority to enter into or enforce this Compact, the

Parties each agree to support the Compact and define each of their authority to enter into and implement this Compact; provided, however, that this provision does not waive, and shall not be construed as a waiver of, the sovereign immunity of the Tribe or any of its subdivisions or enterprises.

D. Traceability. Should either Party have any concerns arising out of operation of the traceability system or the results thereof, the Parties will meet in good faith to discuss any issues. If parties fail to come to a resolution either party may invoke the dispute resolution process in part XII.

XIII. COMMUNICATION AND NOTICE

A. Designated Contacts. The Parties agree to maintain regular and open communication regarding the administration and implementation of this Compact. The Parties agree that the following individuals will be designated primary contacts regarding administration of this Compact:

For the State:

Rick Garza, Agency Director
Liquor and Cannabis Board
3000 Pacific Avenue SE
Olympia, WA 98504-3080
rjg@liq.wa.gov
(360) 664-1650

For the Tribe:

Marjorie Matheson
Director of Special Projects
Puyallup Tribe of Indians
3009 East Portland Avenue
Tacoma, WA 98404
marjorie.matheson@puyalluptribe.com
(253) 573-7976

The Parties agree that if either Party believes that the goals and objectives of this Compact are not being met, that they will meet promptly to discuss any issues and concerns.

B. Notice. Any notice that may be or is required to be sent under this Compact shall be sent as follows:

If to the State:	Office of the Governor P.O. Box 40002 Olympia, WA 98504-0002
With a copy to:	Agency Director Liquor and Cannabis Board 3000 Pacific Avenue SE Olympia, WA 98504-3080
If to the Tribe:	Chairman Puyallup Tribal Council 3009 East Portland Avenue Tacoma, WA 98404
With a copy to:	Legal Department Puyallup Tribe of Indians 3009 East Portland Avenue Tacoma, WA 98404

XIV. EFFECT, DURATION, AND AMENDMENT

A. Term. This Compact shall remain in effect for a term of ten years unless the Parties mutually agree in writing that the Compact should be vacated or terminated and superseded by a new compact between the Parties within that time frame, or unless the Compact is terminated pursuant to XII.A.4. The Compact shall be automatically renewed for successive periods of ten years, unless a Party provides written notice to the other, no later than 120 days before the expiration of the then current ten-year period, that it wishes to modify the terms of the Compact.

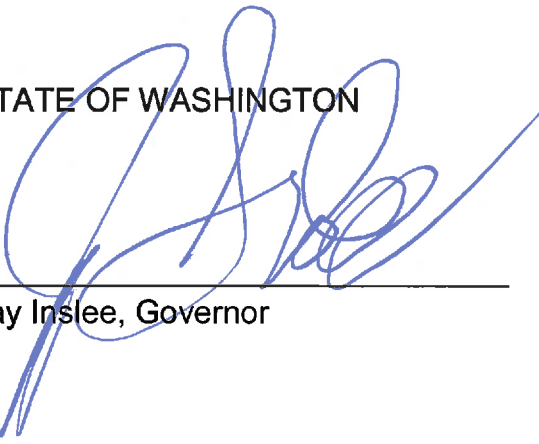
B. Amendment. No amendment or alteration of this Compact shall arise by implication or course of conduct. This Compact may be altered only by a subsequent written document, approved by the Parties, expressly stating the Parties' intention to amend this Compact.

C. Severability. If any provision of this Compact or its application to any person or circumstance is held invalid, the remainder of the Compact shall not be affected.

D. Change in Classification. If the classification of marijuana as a Schedule I drug is altered in any way or federal marijuana enforcement policy (as described in III, above) changes, the Parties agree to meet and discuss the need to modify this Compact. If such modifications cannot be agreed upon, then either Party may terminate this Compact upon 60 days written notice.


This Compact is hereby made this 25th day of January, 2016, and amended effective this 29th day of June, 2016.

STATE OF WASHINGTON



Jay Inslee, Governor

PUYALLUP TRIBE OF INDIANS

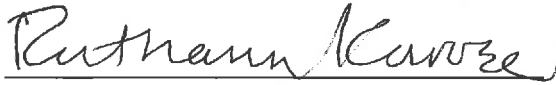


Bill Sterud, Chairman

WASHINGTON STATE LIQUOR AND
CANNABIS BOARD



Jane Rushford, Board Chair



Ruthann Kurose, Board Member



Ollie Garrett, Board Member



Rick Garza, Agency Director

EXHIBIT A

to

Marijuana Compact
between the State of Washington and the Puyallup Tribe of Indians
including Amendment No. 1

Puyallup Tribal Codes Chapter 14.08

Chapter 14.08 MARIJUANA ORDINANCE

Sections:

- [14.08.010](#) Purpose and intent.
- [14.08.020](#) Definitions.
- [14.08.030](#) Puyallup Tribal Cannabis Committee.
- [14.08.040](#) Cannabis production.
- [14.08.050](#) Cannabis processing practices.
- [14.08.060](#) Sales.
- [14.08.070](#) Labeling.
- [14.08.080](#) Personnel.
- [14.08.090](#) Physical facilities.
- [14.08.100](#) Criminal activity.
- [14.08.110](#) Regulations.
- [14.08.120](#) Exclusions.
- [14.08.130](#) Preemption.
- [14.08.140](#) Severability.

14.08.010 Purpose and intent.

Marijuana and all related products will be cultivated, produced, processed and sold only by the Puyallup Tribal government. Medical marijuana use or possession will not be treated as a crime. The revenue generated from marijuana sales will be used to enhance education, health care, social services, research, and substance abuse prevention by the Puyallup Tribe. Economic self-sufficiency is a goal of the government through this operation. The marijuana operation will be wholly owned and operated by the Puyallup Tribe alone. This chapter does not authorize private operation of marijuana cultivation, production, processing or sales businesses. [Res. 020715 (07/02/15)]

14.08.020 Definitions.

- (a) "Cannabinoid(s)" means and includes all compounds and substances found in, or which may be isolated from, cannabis, having pharmacologic or psychoactive properties.
- (b) "Cannabis" means any of the aerial parts of a plant in the genus Cannabis, and does not mean hemp.
- (c) "Certified organic" means no human sewage sludge fertilizer was used in the cultivation of the plants; no synthetic chemicals were used that are listed on the National List of Allowed and Prohibited Substances (e.g., fertilizer, pesticides, antibiotics, food additives, etc.), including no genetically modified organisms, irradiation, or the use of sewage sludge; use of farmland that has been free from prohibited synthetic chemicals for a number of years (generally, three or more); a detailed written production and sales records (audit trail) will be kept; and there will be periodic on-site inspections.
- (d) "Cultivate" means to grow, harvest, dry and cure cannabis. A facility where cannabis plants are cultivated is a cultivation operation.
- (e) "Cultivation area" means the physical location of a structure or property at which cannabis is cultivated.

- (f) “Delivery” means a giving or bringing of something to someone.
- (g) “Dispense” means to provide cannabis or cannabis-derived product to compliant individuals.
- (h) “Distribute” means to deliver other than by administering or dispensing cannabis and cannabis-derived products.
- (i) “Drug” means a substance used in the diagnosis, treatment, or prevention of a disease or as a component of a medication.
- (j) “Identity” means the set of characteristics by which an ingredient or product is definitively recognizable or known. In the case of cannabis or other botanical ingredients, “identity” means the plant part and the botanical genus, species, variety, strain, and/or cultivar, as well as other characteristics as applicable.
- (k) “Lot” means a definite quantity of marijuana, useable marijuana, or marijuana-infused product identified by a lot number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.
- (l) “Marijuana” means cannabis, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. 21 U.S.C.A. § 802(16) (2014).
- (m) “Marijuana-infused products” are products that contain marijuana or marijuana extracts and are intended for human use. These products do not include useable marijuana.
- (n) “Medical marijuana” means marijuana cultivated and produced to treat a medical condition for which it is cultivated; for example, marijuana that specifically treats glaucoma based upon the chemical components of the specific product.
- (o) “Medical use of marijuana” means the possession or ingestion of marijuana, for the exclusive benefit of a qualifying patient in the treatment of his or her illness.
- (p) “Medium” means the nutritive substrate that the cultivator is using to establish a root system.
- (q) “Personnel” means any worker engaged in the performance of operations subject to this chapter and includes full- and part-time employees, temporary employees, contractors, and volunteers.
- (r) “Pest” means any objectionable insect or other animal at any life stage.
- (s) “Pharmaceutical-grade marijuana” means a grade of marijuana that is cultivated for medical treatment. It is free of chemical residues such as fungicides and insecticides and is tested by validated methods to determine its cannabinoid levels and contains safe microbial, mycotoxin, and metal contents, including heavy metals, and meets any other necessary requirements to be considered to be in compliance with good manufacturing practices.
- (t) “Physical facilities” means all or any part of a building or facility used for or in functional connection with manufacturing, packaging, labeling, or holding a cannabis-derived product.
- (u) “Production” includes the manufacturing, planting, cultivating, growing, or harvesting of cannabis plants.

- (v) "Propagation materials" means all substances used in the cultivation of cannabis.
- (w) "Puyallup Tribal Cannabis Committee" is a committee composed of seven members who oversee the operation of cannabis cultivation, production and processing.
- (x) "Qualifying patient" means a person who:
 - (1) Possesses a statement signed and dated by a health care professional, which states that in the health care professional's opinion the patient may benefit from the medical use of marijuana; and
 - (2) Provides proof of identity, such as a valid Washington State driver's license or identicard, or a valid Tribal membership card.
- (y) "Quality" means that the product consistently meets the established specifications for identity, purity, strength, composition, packaging, and labeling, and has been manufactured, packaged, labeled, and held under conditions to prevent adulteration.
- (z) "Useable marijuana" means dried marijuana flowers and does not include marijuana-infused products.
- (aa) "Valid documentation" means:
 - (1) A statement signed and dated by a qualifying patient's health care professional written on tamper-resistant paper, which states that, in the health care professional's professional opinion, the patient may benefit from the medical use of marijuana; and
 - (2) Proof of identity, such as a Washington State driver's license or identicard as defined in RCW [46.20.035](#), or a valid Tribal membership card. [Res. 020715 (07/02/15)]

14.08.030 Puyallup Tribal Cannabis Committee.

- (a) The Puyallup Tribal Cannabis Committee ("PTCC") is a committee composed of seven members who oversee the operation of cannabis cultivation, processing and production. The PTCC members are appointed by the Puyallup Tribal Council. No action taken by the Cannabis Committee will be effective unless it has been adopted or approved by the Tribal Council.
- (b) Appointments. The PTCC shall be composed of at least five, but no more than seven, Tribal members appointed by the Tribal Council for three-year terms. At the discretion of the Tribal Council, a member may serve more than one term.
- (c) Eligibility. A candidate for membership on the Cannabis Committee must be an enrolled member of the Puyallup Tribe, and must have no criminal convictions for any drug/controlled substances (excluding cannabis convictions) violations in the past seven years.
- (d) Vacancies and Removal from Office. If a committee member is removed, resigns or retires, the Tribal Council shall appoint an alternate to take his/her place.
- (e) Duties. Committee members will:
 - (1) Analyze data pertaining to Tribal cannabis operations (i.e, production, processing, sales, research/development, facilities, testing laboratory, etc.).

- (2) Develop regulations, in conjunction with the Director of Cannabis Operations and the Law Office, and approved by the Tribal Council.
 - (A) Regulations are not intended to supersede those procedures already in place in an existing Tribal ordinance.
- (3) Provide processes and procedures for carrying out the mission, vision, goals, and objectives of the PTCC.
- (4) Hire professional consultants in order to carry out the goals and objectives of the Puyallup Tribe.
- (5) Hire support staff as necessary to carry out the goals and objectives of the Puyallup Tribal Cannabis Committee. [Res. 020715 (07/02/15)]

14.08.040 Cannabis production.

The Puyallup Tribal government shall produce, process and sell marijuana subject to the following provisions:

- (a) **Production Practices.** The Puyallup Tribe will produce and package marijuana in many forms in consultation with experts, including scientists and botanists. Classes of marijuana will be produced and properly labeled according to grade, condition, cannabinoid profile, and THC concentration or other qualitative measurements deemed appropriate by the Puyallup Tribal Cannabis Committee, after consultation with experts including scientists and botanists. Production will include packaging by lot numbers marijuana, useable marijuana and marijuana-infused products.
- (b) **Propagation Materials Requirements.**
 - (1) Propagation materials used in the production process must be appropriate for use in food production; and
 - (2) Individual plants will be tracked and documented using the most relevant technology available at the discretion of the Puyallup Tribe.
- (c) **Pesticides Requirements.**
 - (1) Pesticides used in the cultivation process must be one of the following:
 - (A) Subject to a tolerance established for application to cannabis by the U.S. Environmental Protection Agency (“EPA”);
 - (B) Identified by EPA regulation as exempted from tolerance;
 - (C) Subject to a Section 18 emergency exemption under Federal Insecticide, Fungicide, and Rodenticide Act (“FIFRA”)¹; or
 - (D) Permitted for application to cannabis in other countries as long as the pesticide is also permitted for application to one or more food crops in the United States.
 - (2) The cultivation operation must follow the manufacturer’s application and storage recommendations, and disposal recommendations for the pesticide product, and must follow EPA Worker Protection Standards when preparing and applying pesticides. An indoor cultivation operation also must comply with the pesticide manufacturer’s published re-entry interval time periods when applying pesticides.
- (d) **Nutrients.**

- (1) Nutrients used in the cultivation operation must be appropriate for use in food production.
 - (2) The cultivation operation must follow the manufacturer's application, storage, and disposal recommendations for the nutrient product.
 - (A) The cultivation operation must not return unused rooting hormone to the source container.
 - (B) Nitrate-based and other oxidizing fertilizers must be stored away from solvents, fuels and pesticides.
 - (3) Commercial fertilizers and potting soil and other growing media available commercially in the state of Washington may be used in marijuana production for nutritive value.
- (e) Carbon Dioxide.
- (1) The indoor cultivation facility utilizing carbon dioxide must maintain levels under 2,000 ppm in cultivation areas when facility personnel may be present;
 - (2) The indoor cultivation facility utilizing carbon dioxide at levels above 2,000 ppm in a sealed room must prohibit personnel from entering the cultivation area unless personal protective equipment is provided; and
 - (3) All regulators and environmental control systems that regulate carbon dioxide emissions must be maintained in good working order and be serviced in accordance with the manufacturer's recommendations.
- (f) Equipment and Tools.
- (1) Equipment used for measuring, regulating, or recording temperatures, pH, humidity, or other conditions related to the cultivation and processing of cannabis must be accurate and adequately maintained;
 - (2) Cultivation and processing tools that come in direct contact with cannabis plants should be disinfected as needed to protect plant health; and
 - (3) Scales used for weighing of cannabis must be calibrated at regular intervals.
- (g) The production operation must follow the manufacturer's usage, storage, and disposal recommendations for the propagation material.
- (h) Location. Cultivation cannot occur within 1,000 feet of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, library or game arcade that allows minors to enter. The cultivation warehouse will be secured and closed to the public. Employees in production, processing, or sales will not have access to the cultivation warehouse without prior authorization. All inlets and outlets will be monitored by 24-hour cameras and will only be accessible by authorized employees with valid scan cards or fingerprint identification.
- (i) THC Concentration. THC concentration in marijuana plants shall be tested, so that the THC concentration of plants can be accurately assessed.
- (j) All plants will meet pharmaceutical-grade or certified organic standards whether they be dispensed for medicinal or recreational purposes.

(k) Cannabinoid Concentration. Cannabinoid concentrations in marijuana may possess a wide range of medicinal, therapeutic benefits for patients, and will be accurately measured so that medical marijuana of highest caliber and grade will be available for patients. [Res. 020715 (07/02/15)]

14.08.050 Cannabis processing practices.

(a) Processing operations must be maintained in a clean and sanitary condition including all work surfaces and equipment.

(b) Processing operations must implement protocols which prevent processing contamination and mold and mildew growth on cannabis.

(c) Employees handling cannabis in processing operations must utilize proper work attire, facemasks, and gloves in good operable condition as applicable to their jobs.

(d) Employees must wash hands sufficiently when handling cannabis or use gloves.

(e) Accurate information about the identity, quality, and cultivation conditions of cannabis and cannabis-infused products shall be recorded and provided upon distribution.

(f) Prior to processing any products, processing operations management shall provide the Cannabis Committee with a list of the products it intends to market in order to allow the Committee to determine whether regulations are necessary. [Res. 020715 (07/02/15)]

14.08.060 Sales.

(a) The Puyallup Tribal government is the only authorized entity that may distribute cannabis and cannabis-infused products for sale on the Puyallup Indian Reservation. Any businesses engaged in the sales of cannabis or cannabis-infused products must obtain cannabis from the Puyallup Tribe. All sales off the Reservation will be in accordance with a compact entered into with the state of Washington. Requirements:

(1) Marijuana, marijuana-infused products, and paraphernalia intended for the storage or use of useable marijuana or marijuana-infused products will be sold at the Puyallup Tribal Marijuana Center.

(2) The Puyallup Tribal Marijuana Center can only identify the business or trade name in signs on the premises.

(3) Marijuana or marijuana-infused products cannot be displayed in a manner that is visible to the general public from a public right-of-way.

(4) All consumers of marijuana or marijuana-infused products must be 21 years of age or older to purchase marijuana.

(5) Individual consumers may purchase no more than:

(A) One ounce of useable marijuana;

(B) Sixteen ounces of marijuana-infused products in solid form; or

(C) Seventy-two ounces of marijuana-infused products in liquid form. [Res. 020715 (07/02/15)]

14.08.070 Labeling.

- (a) Information provided by the Puyallup Tribal Marijuana Center, whether written or verbal, about the identity, quality, and cultivation conditions of cannabis and cannabis-derived products must be accurate.
- (b) The Puyallup Tribal Marijuana Center must disclose the extent and type of testing it conducts, or causes to be conducted, on the cannabis and cannabis-derived products it provides, including:
- (1) The type of test or examination used, if any, to determine the particular strain or cultivar of each lot of cannabis cultivated;
 - (2) Whether or not the cannabis is tested to determine the quantitative levels of contained constituents, and if so, the type of testing used;
 - (3) Whether or not the cannabis is tested to determine the absence or presence of specific classes of potential contaminants, and if so, the type of testing used. The information required by this section must be disclosed for each of the following:
 - (A) Pesticides;
 - (B) Yeasts and molds; and
 - (C) Other microbiological contaminants.
- (c) The information required to be disclosed by this section must be made available:
- (1) At the point of sale, either:
 - (A) With posted and readily visible signage; or
 - (B) With printed handouts that are provided to individuals prior to purchase of any cannabis or cannabis-derived product.
- (d) Labeling must occur on any website at which cannabis or cannabis-derived products are available for ordering by or sale to individuals, by posting the information so that it will be seen prior to ordering and purchasing.
- (e) Label or other markings containing the information required in this section must be affixed to all cannabis-derived products. The Tribe will work with the medical community to develop a labeling system that will accurately reflect the appropriate prescription dosages. [Res. 020715 (07/02/15)]

14.08.080 Personnel.

The Puyallup Tribe reserves the right to deny employment based upon prior criminal convictions. Only persons 21 years of age or older may be employed by the Puyallup Tribe in its cannabis cultivation and processing operations.

- (a) Background Investigation. No employee shall be hired if he/she has a felony criminal record. All prospective employees are subject to a criminal background investigation as a condition to prospective employment.
- (b) Training.
- (1) All employees of the operation must have the education, training, or experience, or any combination thereof, to perform all assigned functions.

(2) Employees who have assigned functions that involve providing qualified individuals with cannabis or cannabis-derived product must complete training that includes:

- (A) Specific uses of cannabis or a specific cannabis-derived product;
- (B) Clinical application of the specific constituents of cannabis;
- (C) The laws, regulations, and policies relevant to providing cannabis or cannabis-derived product to qualifying individuals.

(c) Hygiene.

(1) Employees showing signs of illness, open wounds, sores or skin infections will be prohibited from handling cannabis in the cultivation and processing operation.

(2) Employees handling cannabis shall receive training with specific attention to preventing microbial contamination.

(3) Employees must strictly adhere to all hand washing requirements including washing hands with soap and hot water before beginning work, and after using the bathroom and after meal breaks.

(4) Instructive hand washing signage will be placed in appropriate areas such as bathrooms, kitchens, and lunch areas, and in multiple languages as needed.

(5) Washington State Food Handler's Permit. All employees must obtain a Washington State Food Handler's Permit before working in cannabis cultivation, production, processing and distribution sites.

(d) Safety.

(1) Employees will be required to strictly comply with all safety protocols, and will be required to attend all employer sponsored safety training relevant to their specific job functions, which may include:

- (A) Emergency action response planning as necessary;
- (B) Employee accident reporting and investigation policies;
- (C) Fire prevention;
- (D) Hazard communication policies, including maintenance of material safety data sheets ("MSDS");
- (E) Materials handling, spills, and disposal policies;
- (F) Job hazard analyses; and
- (G) Personal protective equipment policies, including respiratory protection.

(e) The cultivation operations must provide and maintain at least one emergency eye flushing station readily accessible to all employees and access to adequate eye flushing water for each employee working in field operations.

(f) The cultivation and processing operations must visibly post and maintain an emergency contact list which includes at a minimum:

- (1) Operation manager contacts;
- (2) Emergency responder contacts;
- (3) Poison control contacts;
- (4) Fire department contacts; and
- (5) Spill response team contacts. [Res. 020715 (07/02/15)]

14.08.090 Physical facilities.

General Compliance. In addition to the requirements contained in this section, a facility constructed or used for the cultivation, processing or distribution of cannabis and cannabis-derived products shall comply with all Tribal laws and regulations, including, but not limited to, building codes, and land use and zoning restrictions.

- (a) Indoor cultivation and processing operations shall be located in a nonresidential structure that:
 - (1) Meets Tribal building codes;
 - (2) Has a complete roof enclosure supported by connecting walls extending from the ground to the roof;
 - (3) Is secure against unauthorized entry; and
 - (4) Minimizes unnecessary visual, auditory or olfactory evidence of indoor cannabis operation.
- (b) Greenhouse cultivation operation must be permitted and built to Tribal code at the time of construction, and shield or downcast supplemental lighting.
- (c) Cannabis transported from the cultivation and processing operations must be in a secured enclosed container or secured trunk of the delivery vehicle.
- (d) Distribution Operations.
 - (1) Distribution operations must provide adequate refrigeration if storing cannabis-derived products, as needed to ensure the safety of the products that require refrigeration and to reduce spoilage.
 - (2) Distribution operations must provide and use a secure area for storage of cannabis or cannabis-derived products in inventory.
 - (3) Distribution operations must provide and use a secure area to keep money that is needed to be kept at the facility, and remove money from the facility on a regular basis.
- (e) Storefront/Dispensary Operations.
 - (1) Storefront/dispensary operations must maintain Americans with Disabilities Act (ADA) compliance.
 - (2) No on-site consumption of cannabis or cannabis-derived products shall be allowed unless the Tribe approves a statutory or regulatory policy permitting such activity. Any voluntary on-site consumption policy will address the following:
 - (A) The type or types of consumption allowed (e.g., eating; smoking; vaporizing; or topical application);

- (B) A limit on the amount of time that can be spent in on-site consumption if such a time limit is advisable;
 - (C) A ventilation plan, if needed;
 - (D) A protocol to prevent and to address a qualifying individual who is or becomes over-medicated; and
 - (E) Additional issues as needed.
- (f) Security Provisions.
- (1) Indoor cultivation and processing facilities must have locking doors and windows which provide emergency ingress and egress in accordance with applicable regulations.
 - (2) Cultivation and processing operations must implement and communicate security protocols to all personnel.
 - (3) Outdoor and greenhouse cultivation operations should be enclosed by a secure perimeter fence at least six feet in height. The fence should include a lockable gate that is locked when a qualified employee is not in the immediate area.
 - (4) Distribution/storefront operations must have additional security as needed and should include:
 - (A) Security personnel in sufficient number to ensure the safety of staff, patients, and patrons;
 - (B) Sufficient security camera coverage; and
 - (C) Monitoring of dedicated parking, if any, either with security personnel or with security cameras.
- (g) Delivery Services. If delivery services are offered, there must be:
- (1) Sufficient security personnel at the facility where the product is stored, or processed, in sufficient number to ensure the safety of staff and security of all cannabis and cannabis-derived products;
 - (2) Training for delivery staff to ensure awareness of how to maintain personal and product safety and to provide contact information to police or other emergency personnel;
 - (3) Restriction of deliveries only to a private address and never to a public location;
 - (4) Armed police-trained security personnel subject to full compliance with all relevant legal requirements; and
 - (5) Provide training to make all staff aware of the operation's security procedures, and each individual employee's security roles and responsibilities. [Res. 020715 (07/02/15)]

14.08.100 Criminal activity.

All offenses connected to cannabis use, consumption, manufacturing, processing, or distribution are set forth in the Puyallup Tribal Criminal Code. [Res. 020715 (07/02/15)]

14.08.110 Regulations.

The Puyallup Tribal government is the only authorized entity that will operate a medical dispensary to provide services to persons with valid documentation. The marijuana distributed for medical needs will meet pharmaceutical-grade standards. Nothing in this chapter diminishes the authority of Tribal agencies, programs, departments, and Tribally

chartered entities to establish a procedure for determining when the use of marijuana would violate the conditions of a federal funding source, or pose a danger to the community. [Res. 020715 (07/02/15)]

14.08.120 Exclusions.

The following acts when performed by employees or contractors of the Puyallup Tribe in conformance with this chapter shall not constitute criminal or civil offenses under Tribal law:

- (a) Production or possession of marijuana pursuant to employment duties.
- (b) Possession, processing, packaging and labeling of quantities of marijuana, useable marijuana, and marijuana-infused products in preparation for sales.
- (c) Delivery, distribution and sale of marijuana pursuant to employment duties at the retail outlet.
- (d) No Liability for Health Care Professionals. A health care professional may not be arrested, searched, prosecuted, disciplined, or subject to other criminal sanctions or civil consequences or liability under Tribal law, or have real or personal property searched, seized, or forfeited pursuant to Tribal law, if he/she is:
 - (1) Advising a patient about the risks and benefits of medical use of marijuana or that the patient may benefit from the medical use of marijuana; or
 - (2) Providing a patient with valid documentation, based upon the health care professional's assessment of the patient's medical history and current medical condition that valid documentation is necessary in the individual health care professional's medical judgment.
- (e) No Liability for Qualified Patients. The medical use of marijuana in accordance with the terms and conditions of this chapter does not constitute a crime and a qualifying patient in compliance with the terms and conditions of this chapter may not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, marijuana under Tribal law, or have real or personal property seized or forfeited for possession, manufacture, or delivery of, or for possession with intent to manufacture or deliver, marijuana under Tribal law.
- (f) No Liability Based on Constructive Possession by the Puyallup Tribe.
 - (1) No person shall be prosecuted for constructive possession, conspiracy, or any other criminal offense solely for being in the presence or vicinity of medical marijuana or its use as authorized by this chapter.
 - (2) The Puyallup Tribe shall not be held vicariously liable for any deleterious or ineffective outcomes from the medical use of marijuana by any qualifying patient. [Res. 020715 (07/02/15)]

14.08.130 Preemption.

Nothing contained in this chapter shall be construed to supersede federal law or contradict federal policies regarding the acquisition, possession, manufacture, sale, or use of marijuana contained within the Puyallup Reservation and the state of Washington.

- (a) Inspection. The Puyallup Tribe may negotiate and contract for the inspection of its marijuana production methods and products to assure their conformance with scientific and safety standards to assure protection of the public.

(b) Interstate Ban. Marijuana is prohibited from being diverted in any form to any other state where marijuana is illegal. [Res. 020715 (07/02/15)]

14.08.140 Severability.

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application. To this end, the provisions of this chapter are declared to be severable. [Res. 020715 (07/02/15)]

¹Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) authorizes EPA to allow an unregistered use of a pesticide for a limited time if EPA determines that an emergency condition exists.

Tribe Website: <http://www.puyallup-tribe.com/>
(<http://www.puyallup-tribe.com/>)
Code Publishing Company
(<http://www.codepublishing.com/>)
