

# IL25-566 Marijuana Insurance Act

**WARNING:**

EVERY PERSON who signs this petition with any other than his or her true name, knowingly signs more than one of these petitions, signs this petition when he or she is not a legal voter, or makes any false statement on this petition may be punished by fine or imprisonment or both.

**Statement of Subject:** Initiative Measure No. IL25-566 concerns marijuana, cannabis, and hemp.

**Concise Description:** This measure would restrict and regulate cannabis and hemp cultivation; require marijuana, cannabis, and hemp licensees to obtain insurance coverage meeting specific requirements; and prohibit insurance companies from issuing policies in certain circumstances.

Should this measure be enacted into law? **Yes**  **No**

**Ballot Measure Summary:**

This measure would prohibit growing or cultivating cannabis or hemp within residential zones and require a business license to grow cannabis in other real property zones. It would require marijuana, cannabis, and hemp licensees to obtain insurance coverage meeting specific requirements and subject violators to possible license cancellation. It would prohibit insurance companies from issuing policies in certain circumstances and require insurance companies to provide records to customers or face fines.

**INITIATIVE PETITION FOR SUBMISSION TO THE LEGISLATURE OF WASHINGTON STATE**

To the Honorable Steve Hobbs,  
Secretary of State of the State of Washington

We, the undersigned citizens and legal voters of the State of Washington, respectfully direct that this petition and the proposed measure known as Initiative Measure IL25-566, and entitled, "Marijuana Insurance Act" concerns, marijuana, cannabis, hemp. This measure prohibits the production, processing, and sale of marijuana, cannabis or hemp in residentially zoned neighborhoods and require insurance in business zones. A full, true, and correct copy of which is printed on the reverse side of this petition, be submitted to the legal voters of the State of Washington for their approval or rejection at the general election; and each of us for himself or herself says: I have personally signed this petition; I am a legal voter of the State of Washington in the city (or town) and county written after my name, my residence address is correctly stated, and I have knowingly signed this petition only once.

Printed Name of Registered Voter	Signature of Voter	Birthdate for verification MM-DD-YY	Your Home Address	City	County
0		MM-DD-YY	IL25-566 Berrywise Lane	Tacoma	Pierce
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**PETITION GATHERER, SIGN HERE!**

I, \_\_\_\_\_ swear or affirm under penalty of law that I circulated this sheet of the foregoing petition, and that, to the best of my knowledge, every person who signed this sheet of the foregoing petition knowingly and without any compensation or promise of compensation willingly signed his or her true name and that the information provided therewith is true and correct. I further acknowledge that under chapter 29A.84 RCW, forgery of signatures on this petition constitutes a class C felony, and that offering any consideration or gratuity to any person to induce them to sign a petition is a gross misdemeanor, such violations being punishable by fine or imprisonment or both. RCW 9A.46.020 applies to any conduct constituting harassment against a petition signature gatherer. This penalty does not preclude the victim from seeking any other remedy otherwise available under law.

NAME (signature) \_\_\_\_\_ PHONE \_\_\_\_\_  
HOME EMAIL \_\_\_\_\_ Mailing Address \_\_\_\_\_

Get as many signatures as you can and mail this petition back to us as soon as possible. Fold it, put it in an envelope, and mail it to:

REGIS COSTELLO . 14462 58<sup>th</sup> Ave. So. Tukwila, WA 98168 [regiscostello@gmail.com](mailto:regiscostello@gmail.com) • PH: 206-747-3638•

The government only gives us until December 2024 to gather 350,000 valid signatures. Time is short — ACT NOW. To get more petitions, call or email us, **OR PREFERABLY**, to save you time and to save our campaign time and resources, make your own copies (both front & back must be photocopied and petition size cannot be reduced — final size must remain 11"x17"). Take this petition to any printer who can print on 11"x17" paper (local print shop, etc.). **COLOR PETITIONS AREN'T NECESSARY — BLACK AND WHITE IS OK.** [www.CannabisCrimeShred.com](http://www.CannabisCrimeShred.com)

**Text reads as follows:**

AN ACT Relating to mandatory insurance coverage for certain marijuana narcotics and electricity theft associated with the unlawful production, processing, and sales in residential zoned neighborhoods; adding a new section to chapter 69.50 RCW; creating new sections; and prescribing penalties with schedule I, II, and III marijuana narcotics.

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

NEW SECTION. Sec. 1. A new section is added to chapter 69.50

RCW to read as follows:

(1) Insurance companies shall not issue a policy to a cannabis or hemp producer or processor located within areas zoned primarily for residential use. Insurance companies shall not issue a policy to a real property owner or tax parcel that adjoins a reservation or Indian country if the property is outside the appropriate zoning and bordering residential zoning. When a cannabis plant is growing within a real property zone other than a residential zone, a business license must be obtained with an employer identification number as it is determined the cannabis activity is for commercial use. Federal law has determined all cannabis and hemp activity will be allowed only within appropriate zoned areas. Under no circumstance may a person grow or cultivate cannabis or hemp within a residential zone. All real property that borders an existing licensed cannabis facility or adjacent to another property that is in full compliance, and within appropriately zoned areas, shall not share the license or policy to operate as a cannabis facility or grow within an adjoining tax parcel. All cannabis policies that are in compliance shall be granted to one tax parcel individually not shared with another tax parcel. All individual or corporate business shall not share licenses or policies.

(2) Marijuana, cannabis, and hemp licensees must obtain insurance coverage. Insurance is required to protect the consumer if any claims, suits, actions, costs, damages, or expenses arise from any negligent or intentional act or omission of the cannabis licensees. Cannabis licensees will provide the board with a certificate of insurance demonstrating that the following types and minimum amounts of insurance have been obtained under RCW 314-55-082:

(a) Commercial general liability insurance. The licensee must carry and maintain commercial general liability insurance or commercial umbrella insurance for bodily injury and property damage arising out of licensed activities at all times. The limits of liability insurance will not be less than \$1,000,000. Upon board request, a licensee must provide proof of insurance.

(i) This insurance must cover such claims as may be caused by any act, omission, or negligence of the licensee or its officers, agents, representatives, assigns, or servants.

(ii) The insurance must also cover bodily injury, including disease, illness, and death, and property damage arising out of the licensee's premises/operations, products, and personal injury.

(b) Insurance carrier rating. The insurance required in (a) of this subsection must be issued by an insurance company authorized to do business within the state of Washington. Insurance is to be placed do business within the state of Washington. Insurance is to be placed with a carrier that has a rating of A - Class VII or better in the most recently published edition of Best's Insurance Reports. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and chapter 284-15 WAC.

(c) Additional insured. The state and its employees, agents, and volunteers shall be named as an additional insured on insurance policies required under this section. All policies shall be primary over any other valid and collectable insurance.

(d) Failure to maintain or provide proof of insurance as required may result in license cancellation. Narcotics coverage is not allowed for dwellings.

(e) Under no circumstance will the insurance carrier provide coverage within a residential dwelling due to the extreme liability of electricity theft and toxic mixing of Schedule I, II, and III narcotics, including pill press, encapsulating and tablet machine use and laws.

(3) Insurance companies must provide all records to its customers including, but not limited to, utility locate records following an incident of power theft investigation by police.

(4) Electricity is essential for industries and residential dwellings in Washington state. Since the legalization of recreational use of cannabis following the passing of Initiative Measure No. 502, criminal electricity theft associated with bypassing power meters to grow cannabis has continued within residential zoned neighborhoods. Most power transformers are shared with adjoining properties in residential neighborhoods. The offending criminals cause electricity disruptions for homeowners. In addition, the criminals avoid licensing requirements, quality control, and taxation. The power company supplying the resident owner of electricity for normal residential use is standard for all real property owners and expected to be supplied uninterrupted. Moreover, the power company has record of all incidents of power theft by cannabis growers and historically denies access of the incident records without court order or subpoena to the adjoining customer homeowner. Insurance companies also have resources available that the homeowner does not have and therefore must provide the information to its policyholder that adjoins a residential property with a history of unlawful narcotic activity and electricity theft.

(5) Failure by the insurance company to disclose the records of violations and power theft incidents will subject the insurance company to a \$2,000 fine held in escrow to support roadway cleanup at and around highways and bridges.

NEW SECTION. Sec. 2. This act must be liberally construed to carry out its policies, purposes, and intent.

NEW SECTION. Sec. 3. This act may be known and cited as the Marijuana Insurance Act.

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

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