

SSB 5405 - H COMM AMD

By Committee on Regulated Substances & Gaming

NOT CONSIDERED 01/02/2024

1 Strike everything after the enacting clause and insert the
2 following:

3 **"Sec. 1.** RCW 66.08.145 and 2019 c 445 s 201 are each amended to
4 read as follows:

5 (1) ((The)) Subject to subsection (2) of this section, the liquor
6 and cannabis board may issue subpoenas in connection with any
7 investigation, hearing, or proceeding for the production of books,
8 records, and documents held under this chapter or chapters 69.50,
9 69.51A, 70.155, 70.158, 70.345, 82.24, 82.26, and 82.25 RCW, and
10 books and records of common carriers as defined in RCW 81.80.010, or
11 vehicle rental agencies, relating to the transportation or possession
12 of cannabis, cigarettes, vapor products, or other tobacco products.

13 (2) (a) Prior to signing, issuing, or serving a subpoena on or
14 after the effective date of this section, the liquor and cannabis
15 board shall, at a minimum, first attempt to obtain production of the
16 books, records, or documents by:

17 (i) An informal investigative contact; and

18 (ii) Regular mail and certified mail.

19 (b) A subpoena under this section may be served by regular mail
20 and certified mail or in person by either:

21 (i) An enforcement officer of the liquor and cannabis board who
22 graduated from the Washington state criminal justice training
23 commission and complies with (c) of this subsection (2); or

24 (ii) A private investigator licensed under chapter 18.165 RCW who
25 complies with (c) of this subsection (2).

26 (c) Any individual signing, issuing, or serving a subpoena for
27 the liquor and cannabis board on or after the effective date of this
28 section must complete training on unconscious bias.

29 (d) Information about how to challenge the subpoena must be
30 provided in writing to the person subject to the subpoena with the
31 service of a subpoena under this section.

1 (e) The liquor and cannabis board shall sign, issue, and serve
2 subpoenas under this section through a uniform process and
3 procedures.

4 (f) Except as otherwise provided in this section, the liquor and
5 cannabis board is subject to the requirements and duties with respect
6 to subpoenas imposed under Washington state superior court civil
7 rules in effect at the time of issuance of the subpoena, regarding:

8 (i) The form, issuance, and service of subpoenas; and

9 (ii) The duty to take responsible steps to avoid imposing undue
10 burden or expense on a person subject to the subpoena.

11 (g) The liquor and cannabis board may designate individuals
12 authorized to sign subpoenas.

13 (3) If any person is served a subpoena from the board for the
14 production of records, documents, and books, and fails or refuses to
15 obey the subpoena for the production of records, documents, and books
16 when required to do so, the person is subject to proceedings for
17 contempt, and the board may institute contempt of court proceedings
18 in the superior court of Thurston county or in the county in which
19 the person resides.

20 NEW SECTION. Sec. 2. (1) The liquor and cannabis board shall
21 submit an annual report to the legislature and the governor, by the
22 dates specified in subsection (2) of this section, with information
23 about the subpoenas the board issued and served in the preceding year
24 under RCW 66.08.145. The reports required under this section must
25 include, but are not limited to, the following information regarding
26 subpoenas issued and served in the preceding year:

27 (a) The total number of subpoenas issued and served by the liquor
28 and cannabis board;

29 (b) A comparison of how many subpoenas were issued and served in
30 connection with investigations related to cannabis, liquor,
31 cigarettes, vapor products, and tobacco products;

32 (c) How many subpoenas were issued and served to, or were related
33 to an investigation of, a social equity applicant as defined in RCW
34 69.50.335 or a licensee who is licensed through the cannabis social
35 equity program;

36 (d) The numbers of subpoenas served in person compared to
37 subpoenas served by regular mail and certified mail;

1 (e) How many of the subpoenas successfully resulted in the
2 production of the books, records, or documents sought by the liquor
3 and cannabis board;

4 (f) How many contempt of court proceedings the liquor and
5 cannabis board instituted for the failure or refusal to obey a
6 subpoena; and

7 (g) A summary of sanctions imposed, or orders issued, by courts
8 in any contempt of court proceedings initiated by the liquor and
9 cannabis board after a person fails or refuses to obey a subpoena for
10 the production of records, books, or documents.

11 (2) Reports under this section are due to the governor and the
12 appropriate committees of the legislature by July 1, 2024, and by
13 July 1st of each year thereafter, with a final report due by July 1,
14 2028.

15 (3) This section expires on June 30, 2029."

16 Correct the title.

EFFECT: (1) Provides that prior to signing, issuing, or serving a subpoena, the Liquor and Cannabis Board (LCB) must, at a minimum, first attempt to obtain production of the books, records, or documents by an informal investigative contact and by regular mail and certified mail.

(2) Requires a subpoena issued and served by the LCB to be served by regular mail and certified mail, or in person by: (a) An enforcement officer of the LCB who graduated from the Washington State Criminal Justice Training Commission; or (b) a licensed private investigator.

(3) Requires any individual signing, issuing, or serving a subpoena for the LCB to complete training on unconscious bias.

(4) Requires information about how to challenge the subpoena to be provided in writing to the person subject to the subpoena with the service of a subpoena.

(5) Requires the LCB to sign, issue, and serve subpoenas through a uniform process and procedures.

(6) Specifies that, except as otherwise provided in the bill, the LCB is subject to the requirements and duties with respect to subpoenas imposed under Washington state superior court civil court rules in effect at the time of issuance of the subpoena, regarding: (a) The form, issuance, and service of subpoenas; and (b) the duty to take responsible steps to avoid imposing undue burden or expense on a person subject to the subpoena.

(7) Requires the LCB to submit an annual report to the Legislature and Governor with information about subpoenas the LCB issued and served in the preceding year. Requires the first report to

be submitted by July 1, 2024, with subsequent annual reports submitted each July 1st through July 1, 2028.

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