

CERTIFICATION OF ENROLLMENT

SENATE BILL 5551

Chapter 221, Laws of 2007

60th Legislature
2007 Regular Session

LIQUOR AND TOBACCO LAWS--ENFORCEMENT

EFFECTIVE DATE: 07/22/07

Passed by the Senate April 16, 2007
YEAS 46 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 10, 2007
YEAS 98 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 27, 2007, 2:36 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5551** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 30, 2007

**Secretary of State
State of Washington**

SENATE BILL 5551

AS AMENDED BY THE HOUSE

Passed Legislature - 2007 Regular Session

State of Washington 60th Legislature 2007 Regular Session

By Senators Prentice, Kohl-Welles, Clements and Rasmussen; by request of Liquor Control Board

Read first time 01/24/2007. Referred to Committee on Labor, Commerce, Research & Development.

1 AN ACT Relating to enforcement of liquor and tobacco laws; amending
2 RCW 82.26.105 and 82.26.110; adding a new section to chapter 66.08 RCW;
3 adding a new section to chapter 82.24 RCW; and adding a new section to
4 chapter 82.04 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 66.08 RCW
7 to read as follows:

8 (1) The liquor control board may issue subpoenas in connection with
9 any investigation, hearing, or proceeding for the production of books,
10 records, and documents held under this chapter or chapters 70.155,
11 70.158, 82.24, and 82.26 RCW, and books and records of common carriers
12 as defined in RCW 81.80.010, or vehicle rental agencies relating to the
13 transportation or possession of cigarettes or other tobacco products.

14 (2) The liquor control board may designate individuals authorized
15 to sign subpoenas.

16 (3) If any person is served a subpoena from the board for the
17 production of records, documents, and books, and fails or refuses to
18 obey the subpoena for the production of records, documents, and books
19 when required to do so, the person is subject to proceedings for

1 contempt, and the board may institute contempt of court proceedings in
2 the superior court of Thurston county or in the county in which the
3 person resides.

4 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.24 RCW
5 to read as follows:

6 (1) For the purposes of obtaining information concerning any matter
7 relating to the administration or enforcement of this chapter, the
8 department, the board, or any of its agents may inspect the books,
9 documents, or records of any person transporting cigarettes for sale to
10 any person or entity in the state, and books, documents, or records
11 containing any information relating to the transportation or possession
12 of cigarettes for sale in the possession of a specific common carrier
13 as defined in RCW 81.80.010 doing business in this state, or books,
14 documents, and records of vehicle rental agencies whose vehicles are
15 being rented for the purpose of transporting contraband cigarettes.

16 (2) If a person neglects or refuses to produce and submit for
17 inspection any book, record, or document as required by this section
18 when requested to do so by the department, the board, or its agent,
19 then the department or the board may seek an order in superior court
20 compelling production of the books, records, or documents.

21 **Sec. 3.** RCW 82.26.105 and 2005 c 180 s 6 are each amended to read
22 as follows:

23 (1) For the purposes of obtaining information concerning any matter
24 relating to the administration or enforcement of this chapter, the
25 department, the board, or any of its agents(~~(7)~~) may inspect the books,
26 documents, or records of any person transporting tobacco products for
27 sale to any person or entity in the state, and books, documents, or
28 records containing any information relating to the transportation or
29 possession of tobacco products for sale in the possession of a specific
30 common carrier as defined in RCW 81.80.010 doing business in this
31 state, or books, documents, and records of vehicle rental agencies
32 whose vehicles are being rented for the purpose of transporting
33 contraband tobacco products.

34 (2) If a person neglects or refuses to produce and submit for
35 inspection any book, record, or document as required by this section

1 when requested to do so by the department, the board, or its agent,
2 then the department or the board may seek an order in superior court
3 compelling production of the books, records, or documents.

4 **Sec. 4.** RCW 82.26.110 and 2005 c 180 s 9 are each amended to read
5 as follows:

6 (1)(a) Where tobacco products upon which the tax imposed by this
7 chapter has been reported and paid(~~(τ)~~) are shipped or transported
8 outside this state by the distributor to a person engaged in the
9 business of selling tobacco products, to be sold by that person, or are
10 returned to the manufacturer by the distributor or destroyed by the
11 distributor, or are sold by the distributor to the United States or any
12 of its agencies or instrumentalities, or are sold by the distributor to
13 any Indian tribal organization, credit of such tax may be made to the
14 distributor in accordance with rules prescribed by the department.

15 (b) For purposes of this subsection, the following definitions
16 apply:

17 (i) "Indian distributor" means a federally recognized Indian tribe
18 or tribal entity that would otherwise meet the definition of
19 distributor under RCW 82.26.010, if federally recognized Indian tribes
20 and tribal entities were not excluded from the definition of person in
21 RCW 82.26.010.

22 (ii) "Indian retailer" means a federally recognized Indian tribe or
23 tribal entity that would otherwise meet the definition of retailer
24 under RCW 82.26.010, if federally recognized Indian tribes and tribal
25 entities were not excluded from the definition of person in RCW
26 82.26.010.

27 (iii) "Indian tribal organization" means a federally recognized
28 Indian tribe, or tribal entity, and includes an Indian distributor or
29 retailer that is owned by an Indian who is an enrolled tribal member
30 conducting business under tribal license or similar tribal approval
31 within Indian country.

32 (2) Credit allowed under this section shall be determined based on
33 the tax rate in effect for the period for which the tax imposed by this
34 chapter, for which a credit is sought, was paid.

35 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.04 RCW
36 to read as follows:

1 This chapter does not apply to compensation allowed under RCW
2 82.24.295 for wholesalers and retailers for their services in affixing
3 the stamps required under chapter 82.24 RCW. For purposes of this
4 section, "wholesaler," "retailer," and "stamp" have the same meaning as
5 in chapter 82.24 RCW.

Passed by the Senate April 16, 2007.

Passed by the House April 10, 2007.

Approved by the Governor April 27, 2007.

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