

SENATE BILL REPORT

SB 6207

As Reported by Senate Committee On:
Commerce & Labor, January 20, 2016

Title: An act relating to public disclosure of information submitted to the liquor and cannabis board regarding marijuana product traceability and operations.

Brief Description: Concerning public disclosure of information submitted to the liquor and cannabis board regarding marijuana product traceability and operations.

Sponsors: Senators Rivers and Liias.

Brief History:

Committee Activity: Commerce & Labor: 1/18/16, 1/20/16 [DP, w/oRec].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Baumgartner, Chair; Conway, Keiser and Warnick.

Minority Report: That it be referred without recommendation.

Signed by Senators Braun, Vice Chair; Hasegawa, Ranking Minority Member.

Staff: Richard Rodger (786-7461)

Background: The Public Records Act (PRA) requires state and local agencies to make their written records available to the public for inspection and copying upon request, unless the information fits into one of the various specific exemptions. The stated policy of the PRA favors disclosure and requires narrow application of the listed exemptions.

The Liquor and Cannabis Board (LCB) collects a variety of business records relating to marijuana businesses that produce, process, transport, or sell marijuana.

Many of these businesses have raised safety concerns regarding public access, under the Public Records Act (PRA), to these sensitive records.

Summary of Bill: Two exemptions are added to the PRA concerning the disclosure of certain marijuana business records:

1. Financial, commercial operations, and security-related information supplied to the LCB for the purpose of obtaining, maintaining, or renewing a license; and

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2. Information submitted to the LCB for marijuana product traceability purposes. This information includes:
 - a. marijuana product ownership;
 - b. locations;
 - c. contact information;
 - d. movements of product;
 - e. financial information;
 - f. purchase and sale of marijuana;
 - g. account numbers or unique identifiers; and
 - h. related information that would identify a person or location.

Disclosure of these records is allowed for local, state, and federal purposes.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Marijuana licensees must submit volumes of personal financial records, including six months of checking, savings, and retirement account information. The businesses must also submit detailed information covering such items as location of the marijuana products, routes their drivers take, layouts of all building, and location of each security camera. This information can be obtained through a public records request by anyone, including criminals. The release of this information poses a extreme safety risk to all the business owners and their employees. It is reasonable to require submission of these records, but the information should be safeguarded by the state.

CON: There needs to be citizen oversight of these businesses. The public should have access to information relating to who actually owns these businesses and who are the real parties of interest. The public should be able to review documentation relation to the transferability of these licensed entities. Reasonable safeguards are common sense, but this bill is too broad.

OTHER: Much of the information we use has been scrubbed by the state and is compiled in weekly or monthly reports without any identifying or personal details. This economic data and information is used by many businesses, trade groups, and retailer associations. Don't eliminate the access to non-private data.

Persons Testifying: PRO: Vicki Christophersen, Washington CannaBusiness Association; Jim Mullen, The Herbery; Susan Gress, Vashon Velvet; Ezra Eickmeyer; James Paribello, WSLCB; Michelle Grogen, Green America.

CON: John Kingsbury; Dominic Corva, Center for the Study of Cannabis and Social Policy.

OTHER: Lew McMurrin, Cannabis Org. of Retail Establishments - CORE; Logan Bowers, Co-founder, Hashtag; Brian Yauger.

Persons Signed In To Testify But Not Testifying: PRO: Lori Lizotte, High Altitude.