## SECOND SUBSTITUTE HOUSE BILL 1037

State of Washington 56th Legislature 1999 Regular Session

**By** House Committee on Appropriations (originally sponsored by Representatives Bush, Morris and Ruderman)

Read first time 03/08/1999.

AN ACT Relating to commercial electronic mail; amending RCW 19.190.010, 19.190.020, 19.190.030, and 42.17.310; adding a new section to chapter 19.190 RCW; adding a new chapter to Title 19 RCW; creating a new section; repealing RCW 19.190.005; and prescribing penalties.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that the utilization б 7 of electronic mail messages for commercial purposes merits further study. The commercial electronic messages select task force created in 8 9 the 1998 session shall continue to explore technical, legal, and cost 10 issues surrounding the usage of electronic mail messages for commercial The task force is extended and shall recommend to the 11 purposes. 12 legislature any potential legislation needed for regulating commercial 13 electronic mail messages by November 1999.

14 Sec. 2. RCW 19.190.010 and 1998 c 149 s 2 are each amended to read 15 as follows:

16 The definitions in this section apply throughout this chapter 17 unless the context clearly requires otherwise.

1 (1) "Assist the transmission" means actions taken by a person to 2 provide substantial assistance or support which enables any person to 3 formulate, compose, send, originate, initiate, or transmit a 4 commercial electronic mail message when the person providing the 5 assistance knows or consciously avoids knowing that the initiator of 6 the commercial electronic mail message is engaged, or intends to 7 engage, in any practice that violates the consumer protection act.

8 (2) "Commercial electronic mail message" means an electronic mail 9 message sent for the purpose of promoting real property, goods, or 10 services for sale or lease. <u>It does not mean an electronic mail</u> 11 <u>message to which an interactive computer service provider has attached</u> 12 <u>an advertisement in exchange for free use of an electronic mail</u> 13 <u>account, when the sender has agreed to such an arrangement.</u>

14 (((2))) (3) "Electronic mail address" means a destination, commonly 15 expressed as a string of characters, to which electronic mail may be 16 sent or delivered.

17 (((3))) (4) "Initiate the transmission" refers to the action by the original sender of an electronic mail message, not to the action by any 18 19 intervening interactive computer service that may handle or retransmit the message, unless such intervening interactive computer service 20 assists in the transmission of an electronic mail message when it 21 knows, or consciously avoids knowing, that the person initiating the 22 transmission is engaged, or intends to engage, in any act or practice 23 24 that violates the consumer protection act.

(((4))) (5) "Interactive computer service" means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including specifically a service or system that provides access to the internet and such systems operated or services offered by libraries or educational institutions.

31 (((5))) (6) "Internet domain name" refers to a globally unique, 32 hierarchical reference to an internet host or service, assigned through 33 centralized internet naming authorities, comprising a series of 34 character strings separated by periods, with the right-most string 35 specifying the top of the hierarchy.

36 <u>(7) "Person" means a person, corporation, partnership, or</u> 37 <u>association.</u>

38 <u>(8) "Unsolicited commercial electronic mail message" means a</u> 39 <u>commercial electronic mail message:</u>

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(a) Sent without a recipient's prior consent;

2 (b) Sent to a recipient with whom the sender does not have a 3 preexisting or ongoing business or personal relationship; and

4 (c) Sent for a purpose other than collecting an existing 5 obligation.

6 **Sec. 3.** RCW 19.190.020 and 1998 c 149 s 3 are each amended to read 7 as follows:

8 (1) No person((, corporation, partnership, or association)) may 9 initiate the transmission, conspire with another to initiate the 10 transmission, or assist the transmission, of a commercial electronic 11 mail message from a computer located in Washington or to an electronic 12 mail address that the sender knows, or has reason to know, is held by 13 a Washington resident that:

(a) Uses a third party's internet domain name without permission of
the third party, or otherwise misrepresents <u>or obscures</u> any information
in identifying the point of origin or the transmission path of a
commercial electronic mail message; ((or))

18 (b) Contains false or misleading information in the subject line<u>:</u> 19 or

(c) Fails to prominently display in the body of an unsolicited commercial electronic mail message the following identifying information: The legal name, mailing address, physical address, true electronic mail address, and telephone number, including area code, of the person initiating the transmission of the message, or his or her registered agent in the state of Washington.

(2) For purposes of this section, a person((, corporation, 26 partnership, or association)) knows that the intended recipient of a 27 commercial electronic mail message is a Washington resident if that 28 29 information is available, upon request, from the registrant of the 30 internet domain name contained in the recipient's electronic mail address or the information is available in the electronic registry of 31 Washington internet electronic mail addresses maintained by the 32 attorney general. 33

34 **Sec. 4.** RCW 19.190.030 and 1998 c 149 s 4 are each amended to read 35 as follows:

(1) It is a violation of the consumer protection act, chapter 19.86
 RCW, to conspire with another person to initiate the transmission or to
 initiate the transmission of a commercial electronic mail message that:
 (a) Uses a third party's internet domain name without permission of

5 the third party, or otherwise misrepresents <u>or obscures</u> any information 6 in identifying the point of origin or the transmission path of a 7 commercial electronic mail message; ((<del>or</del>))

8 (b) Contains false or misleading information in the subject line:
9 or

10 (c) Fails to prominently display in the body of an unsolicited 11 commercial electronic mail message the following identifying 12 information: The legal name, mailing address, physical address, true 13 electronic mail address, and telephone number, including area code, of 14 the person initiating the transmission of the message, or his or her 15 registered agent in the state of Washington.

16 (2) It is a violation of the consumer protection act, chapter 19.86 17 RCW, to assist in the transmission of a commercial electronic mail 18 message, when the person providing the assistance knows, or consciously 19 avoids knowing, that the initiator of the commercial electronic mail 20 message is engaged, or intends to engage, in any act or practice that 21 violates the consumer protection act.

22 (3) The legislature finds that the practices covered by this 23 chapter are matters vitally affecting the public interest for the 24 purpose of applying the consumer protection act, chapter 19.86 RCW. A 25 violation of this chapter is not reasonable in relation to the 26 development and preservation of business and is an unfair or deceptive 27 act in trade or commerce and an unfair method of competition for the 28 purpose of applying the consumer protection act, chapter 19.86 RCW.

29 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 19.190 RCW 30 to read as follows:

(1) The attorney general is authorized to create an electronic 31 registry of Washington internet electronic mail addresses. 32 The 33 attorney general may contract with an independent administrator, subject to the direction and control of the attorney general, to 34 operate and maintain the electronic registry. The electronic registry 35 36 shall be searchable so that a person wishing to send commercial electronic mail messages may verify whether an electronic mail address 37 is registered to a Washington resident. Records in the electronic 38

registry are exempt from the public disclosure provisions of chapter
 42.17 RCW.

3 (2)(a) A person who is a bona fide resident of Washington may 4 indicate his or her residency in this state by registering his or her 5 internet electronic mail address in the registry. To ensure that 6 information is current, a registration is valid for a period of two 7 years, upon which time the registration expires. A person who remains 8 a bona fide Washington resident may reregister upon expiration.

9 (b) Each registration in the registry shall be a declaration of 10 Washington residency made under penalty of perjury. A person who is 11 not a bona fide resident of Washington is prohibited from registering 12 his or her internet electronic mail address in the registry.

(3)(a) An interactive computer service provider whose clientele 13 14 exclusively consists of Washington residents may register all 15 electronic mail addresses belonging to its users through a single 16 registration of its internet domain name. Any electronic mail address containing within it a registered internet domain name shall be 17 presumed to belong to a Washington resident. To ensure that 18 19 information is current, a registration is valid for a period of two 20 years, upon which time the registration expires. An interactive computer service provider that continues to exclusively provide service 21 22 to Washington residents may reregister upon expiration.

(b) Each registration in the registry is a declaration under penalty of perjury that an interactive computer service provider exclusively provides service to bona fide Washington residents. An interactive computer service provider who knowingly provides service to persons who are not bona fide residents of Washington is prohibited from registering its internet electronic mail address in the registry.

29 NEW SECTION. Sec. 6. The definitions in this section apply 30 throughout this chapter unless the context clearly requires otherwise. (1) "Assist the transmission" means actions taken by a person to 31 32 provide substantial assistance or support which enables any person to 33 formulate, compose, send, originate, initiate, or transmit a 34 commercial electronic mail message when the person providing the assistance knows or consciously avoids knowing that the initiator of 35 36 the commercial electronic mail message is engaged, or intends to 37 engage, in any practice that violates the consumer protection act.

1 (2) "Commercial electronic mail message" means an electronic mail 2 message sent for the purpose of promoting real property, goods, or 3 services for sale or lease. It does not mean an electronic mail 4 message to which an interactive computer service provider has attached 5 an advertisement in exchange for free use of an electronic mail 6 account, when the sender has agreed to such an arrangement.

7 (3) "Electronic mail address" means a destination, commonly
8 expressed as a string of characters, to which electronic mail may be
9 sent or delivered.

10 (4) "Initiate the transmission" refers to the action by the original sender of an electronic mail message, not to the action by any 11 12 intervening interactive computer service that may handle or retransmit 13 the message, unless such intervening interactive computer service assists in the transmission of an electronic mail message when it 14 15 knows, or consciously avoids knowing, that the person initiating the 16 transmission is engaged, or intends to engage, in any act or practice 17 that violates the consumer protection act.

18 (5) "Interactive computer service" means any information service, 19 system, or access software provider that provides or enables computer 20 access by multiple users to a computer server, including specifically 21 a service or system that provides access to the internet and such 22 systems operated or services offered by libraries or educational 23 institutions.

24 (6) "Person" means a person, corporation, partnership, or 25 association.

26 (7) "Publish" means to do either of the following with respect to 27 the interactive computer service provider's policy on unsolicited 28 commercial electronic mail messages:

(a) Make that policy available upon request in written form at nocharge; or

(b) Display that policy through an on-line notice on the internet home page of the interactive computer service provider, or a page accessible through a conspicuous link on the internet home page of the interactive computer service provider.

(8) "Registered user" means a person that maintains an electronicmail address with an interactive computer service provider.

37 (9) "Unsolicited commercial electronic mail message" means a38 commercial electronic mail message:

39 (a) Sent without a recipient's prior consent;

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(b) Sent to a recipient with whom the sender does not have a
 preexisting or ongoing business or personal relationship; and
 (c) Sent for a purpose other than collecting an existing
 obligation.

5 <u>NEW SECTION.</u> Sec. 7. No registered user shall use or cause to be 6 used the registered user's interactive computer service provider's 7 service or equipment located in this state in violation of the 8 interactive computer service provider's published policy prohibiting or 9 restricting the use of its service or equipment for the initiation of 10 unsolicited commercial electronic mail messages.

11 <u>NEW SECTION.</u> Sec. 8. No person shall initiate, conspire with 12 another person to initiate, or assist the transmission of an 13 unsolicited commercial electronic mail message and use, or cause to be 14 used, an interactive computer service provider's equipment located in 15 this state in violation of that interactive computer service provider's 16 published policy prohibiting or restricting the use of its service or 17 equipment to deliver unsolicited commercial electronic messages.

18 <u>NEW SECTION.</u> Sec. 9. An interactive computer service provider is 19 not required to create a policy prohibiting or restricting the use of 20 its service or equipment for the initiation or delivery of unsolicited 21 commercial electronic mail messages.

22 <u>NEW SECTION.</u> Sec. 10. This chapter does not limit or restrict the 23 rights of an interactive computer service provider under Section 24 230(c)(1) of Title 47 of the United States Code, under chapter 19.190 25 RCW, or any decision of an interactive computer service provider to 26 permit to restrict access to or use of its system, or any exercise of 27 its editorial function.

NEW SECTION. Sec. 11. (1) In addition to any other action available under law, any interactive computer service provider whose published policy on unsolicited commercial electronic mail messages is violated as provided in this chapter may bring a civil action against a person or a registered user:

(a) Who initiates or conspires to initiate a message transmitted in
 violation of the interactive computer service provider's published
 policy; or

4 (b) Who assists in the transmission of a message, when the person 5 providing the assistance knows, or consciously avoids knowing, that the 6 person initiating the transmission is engaged in, or intends to engage 7 in, any acts or practices that violate an interactive computer service 8 provider's published policy.

9 (2) In any action brought pursuant to subsection (1) of this 10 section, an interactive computer service provider shall be required to 11 establish as an element of its cause of action that prior to the 12 alleged violation, the defendant had notice of both of the following: 13 (a) The policy of the interactive computer service provider 14 regarding unsolicited commercial electronic mail messages; and

(b) The fact that the defendant's unsolicited commercial electronic mail message would use or cause to be used the interactive computer service provider's equipment located in this state.

18 (3) In addition to any other action available under law, a customer 19 of an interactive computer service provider who receives commercial 20 electronic mail in violation of the interactive computer service 21 provider's published policy on unsolicited commercial electronic mail 22 messages as provided in this chapter may bring a civil action against 23 a person:

(a) Who initiates or conspires to initiate a message to a customer
that is transmitted in violation of an interactive computer service
provider's published policy; or

(b) Who assists in the transmission of a message to a customer, when the person providing the assistance knows, or consciously avoids knowing, that the person initiating the transmission is engaged in, or intends to engage in, any acts or practices that violate an interactive computer service provider's published policy.

32 (4) In any action brought pursuant to subsection (3) of this 33 section, a customer of an interactive computer service provider shall 34 be required to establish as an element of his or her cause of action 35 that prior to the alleged violation, the defendant had notice of both 36 of the following:

(a) The policy of the customer's interactive computer serviceprovider regarding unsolicited commercial electronic mail messages; and

(b) The fact that the defendant's unsolicited commercial electronic
 mail message would use or cause to be used the interactive computer
 service provider's equipment located in this state.

4 (5) An interactive computer service provider may recover the actual 5 monetary loss suffered by that provider by reason of a violation of its 6 published policy, or liquidated damages of fifty dollars for each 7 message initiated or delivered in violation of this chapter, up to a 8 maximum of twenty-five thousand dollars per day, whichever amount is 9 greater.

10 (6) A customer may recover liquidated damages of five hundred 11 dollars for each unsolicited commercial electronic mail message 12 received by the customer in violation of this chapter, up to a maximum 13 of twenty-five thousand dollars per day, whichever amount is greater. 14 (7) The prevailing party in any action brought under this section 15 is entitled to recover costs and reasonable attorneys' fees.

16 **Sec. 12.** RCW 42.17.310 and 1998 c 69 s 1 are each amended to read 17 as follows:

18 (1) The following are exempt from public inspection and copying:

(a) Personal information in any files maintained for students in
 public schools, patients or clients of public institutions or public
 health agencies, or welfare recipients.

(b) Personal information in files maintained for employees,
 appointees, or elected officials of any public agency to the extent
 that disclosure would violate their right to privacy.

(c) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would (i) be prohibited to such persons by RCW 84.08.210, 82.32.330, 84.40.020, or 84.40.340 or (ii) violate the taxpayer's right to privacy or result in unfair competitive disadvantage to the taxpayer.

(d) Specific intelligence information and specific investigative records compiled by investigative, law enforcement, and penology agencies, and state agencies vested with the responsibility to discipline members of any profession, the nondisclosure of which is essential to effective law enforcement or for the protection of any person's right to privacy.

(e) Information revealing the identity of persons who are witnessesto or victims of crime or who file complaints with investigative, law

enforcement, or penology agencies, other than the public disclosure 1 2 commission, if disclosure would endanger any person's life, physical If at the time a complaint is filed the 3 safety, or property. 4 complainant, victim or witness indicates a desire for disclosure or nondisclosure, such desire shall govern. However, all complaints filed 5 with the public disclosure commission about any elected official or 6 7 candidate for public office must be made in writing and signed by the 8 complainant under oath.

9 (f) Test questions, scoring keys, and other examination data used 10 to administer a license, employment, or academic examination.

(g) Except as provided by chapter 8.26 RCW, the contents of real estate appraisals, made for or by any agency relative to the acquisition or sale of property, until the project or prospective sale is abandoned or until such time as all of the property has been acquired or the property to which the sale appraisal relates is sold, but in no event shall disclosure be denied for more than three years after the appraisal.

(h) Valuable formulae, designs, drawings, and research data
obtained by any agency within five years of the request for disclosure
when disclosure would produce private gain and public loss.

(i) Preliminary drafts, notes, recommendations, and intra-agency memorandums in which opinions are expressed or policies formulated or recommended except that a specific record shall not be exempt when publicly cited by an agency in connection with any agency action.

(j) Records which are relevant to a controversy to which an agency a is a party but which records would not be available to another party under the rules of pretrial discovery for causes pending in the superior courts.

(k) Records, maps, or other information identifying the location of archaeological sites in order to avoid the looting or depredation of such sites.

(1) Any library record, the primary purpose of which is to maintain 32 control of library materials, or to gain access to information, which 33 discloses or could be used to disclose the identity of a library user. 34 35 (m) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or 36 37 proposal for (i) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (ii) 38 highway construction or improvement as required by RCW 47.28.070. 39

(n) Railroad company contracts filed prior to July 28, 1991, with
 the utilities and transportation commission under RCW 81.34.070, except
 that the summaries of the contracts are open to public inspection and
 copying as otherwise provided by this chapter.

5 (o) Financial and commercial information and records supplied by 6 private persons pertaining to export services provided pursuant to 7 chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to 8 export projects pursuant to RCW 43.23.035.

9 (p) Financial disclosures filed by private vocational schools under 10 chapters 28B.85 and 28C.10 RCW.

(q) Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 that a court has determined are confidential under RCW 80.04.095.

(r) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency.

(s) Membership lists or lists of members or owners of interests of units in timeshare projects, subdivisions, camping resorts, condominiums, land developments, or common-interest communities affiliated with such projects, regulated by the department of licensing, in the files or possession of the department.

(t) All applications for public employment, including the names of
 applicants, resumes, and other related materials submitted with respect
 to an applicant.

(u) The residential addresses and residential telephone numbers of
employees or volunteers of a public agency which are held by the agency
in personnel records, employment or volunteer rosters, or mailing lists
of employees or volunteers.

(v) The residential addresses and residential telephone numbers of the customers of a public utility contained in the records or lists held by the public utility of which they are customers, except that this information may be released to the division of child support or the agency or firm providing child support enforcement for another state under Title IV-D of the federal social security act, for the establishment, enforcement, or modification of a support order.

(w)(i) The federal social security number of individuals governedunder chapter 18.130 RCW maintained in the files of the department of

health, except this exemption does not apply to requests made directly 1 to the department from federal, state, and local agencies of 2 government, and national and state licensing, credentialing, 3 4 investigatory, disciplinary, and examination organizations; (ii) the 5 current residential address and current residential telephone number of a health care provider governed under chapter 18.130 RCW maintained in 6 7 the files of the department, if the provider requests that this 8 information be withheld from public inspection and copying, and 9 provides to the department an accurate alternate or business address and business telephone number. On or after January 1, 1995, the 10 current residential address and residential telephone number of a 11 health care provider governed under RCW 18.130.140 maintained in the 12 13 files of the department shall automatically be withheld from public inspection and copying unless the provider specifically requests the 14 15 information be released, and except as provided for under RCW 16 42.17.260(9).

17 (x) Information obtained by the board of pharmacy as provided in18 RCW 69.45.090.

(y) Information obtained by the board of pharmacy or the department
of health and its representatives as provided in RCW 69.41.044,
69.41.280, and 18.64.420.

(z) Financial information, business plans, examination reports, and
 any information produced or obtained in evaluating or examining a
 business and industrial development corporation organized or seeking
 certification under chapter 31.24 RCW.

(aa) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information.

31 (bb) Financial and valuable trade information under RCW 51.36.120.

(cc) Client records maintained by an agency that is a domestic
 violence program as defined in RCW 70.123.020 or 70.123.075 or a rape
 crisis center as defined in RCW 70.125.030.

(dd) Information that identifies a person who, while an agency employee: (i) Seeks advice, under an informal process established by the employing agency, in order to ascertain his or her rights in connection with a possible unfair practice under chapter 49.60 RCW 1 against the person; and (ii) requests his or her identity or any 2 identifying information not be disclosed.

3 (ee) Investigative records compiled by an employing agency 4 conducting a current investigation of a possible unfair practice under 5 chapter 49.60 RCW or of a possible violation of other federal, state, 6 or local laws prohibiting discrimination in employment.

7 (ff) Business related information protected from public inspection8 and copying under RCW 15.86.110.

9 (gg) Financial, commercial, operations, and technical and research 10 information and data submitted to or obtained by the clean Washington 11 center in applications for, or delivery of, program services under 12 chapter 70.95H RCW.

(hh) Information and documents created specifically for, and collected and maintained by a quality improvement committee pursuant to RCW 43.70.510, regardless of which agency is in possession of the information and documents.

(ii) Personal information in files maintained in a data basecreated under RCW 43.07.360.

(jj) Financial and commercial information requested by the public
stadium authority from any person or organization that leases or uses
the stadium and exhibition center as defined in RCW 36.102.010.

(kk) Names of individuals residing in emergency or transitional housing that are furnished to the department of revenue or a county assessor in order to substantiate a claim for property tax exemption under RCW 84.36.043.

(11) The names, residential addresses, residential telephone numbers, and other individually identifiable records held by an agency in relation to a vanpool, carpool, or other ride-sharing program or service. However, these records may be disclosed to other persons who apply for ride-matching services and who need that information in order to identify potential riders or drivers with whom to share rides.

(mm) Proprietary financial and commercial information that the 32 33 submitting entity, with review by the department of health, 34 specifically identifies at the time it is submitted and that is 35 provided to or obtained by the department of health in connection with an application for, or the supervision of, an antitrust exemption 36 sought by the submitting entity under RCW 43.72.310. If a request for 37 such information is received, the submitting entity must be notified of 38 39 the request. Within ten business days of receipt of the notice, the

submitting entity shall provide a written statement of the continuing need for confidentiality, which shall be provided to the requester. Upon receipt of such notice, the department of health shall continue to treat information designated under this section as exempt from disclosure. If the requester initiates an action to compel disclosure under this chapter, the submitting entity must be joined as a party to demonstrate the continuing need for confidentiality.

8 (nn) Records maintained by the board of industrial insurance 9 appeals that are related to appeals of crime victims' compensation 10 claims filed with the board under RCW 7.68.110.

(oo) Financial and commercial information supplied by or on behalf of a person, firm, corporation, or entity under chapter 28B.95 RCW relating to the purchase or sale of tuition units and contracts for the purchase of multiple tuition units.

15 (pp) Records registered in the electronic registry of Washington 16 internet electronic mail addresses maintained by the attorney general.

(2) Except for information described in subsection (1)(c)(i) of 17 this section and confidential income data exempted from public 18 19 inspection pursuant to RCW 84.40.020, the exemptions of this section are inapplicable to the extent that information, the disclosure of 20 which would violate personal privacy or vital governmental interests, 21 can be deleted from the specific records sought. No exemption may be 22 construed to permit the nondisclosure of statistical information not 23 24 descriptive of any readily identifiable person or persons.

(3) Inspection or copying of any specific records exempt under the provisions of this section may be permitted if the superior court in the county in which the record is maintained finds, after a hearing with notice thereof to every person in interest and the agency, that the exemption of such records is clearly unnecessary to protect any individual's right of privacy or any vital governmental function.

(4) Agency responses refusing, in whole or in part, inspection of any public record shall include a statement of the specific exemption authorizing the withholding of the record (or part) and a brief explanation of how the exemption applies to the record withheld.

35 <u>NEW SECTION.</u> Sec. 13. RCW 19.190.005 (Findings) and 1998 c 149 s 36 1 are each repealed. <u>NEW SECTION.</u> Sec. 14. Sections 6 through 11 of this act
 constitute a new chapter in Title 19 RCW.

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