SUBSTITUTE HOUSE BILL 1360

State of Washington 69th Legislature 2025 Regular Session

By House Technology, Economic Development, & Veterans (originally sponsored by Representatives Ryu, Shavers, Parshley, Entenman, Ortiz-Self, and Nance)

READ FIRST TIME 02/05/25.

1 AN ACT Relating to the advancement of quantum economic 2 development; amending RCW 42.56.270; adding new sections to chapter 3 43.330 RCW; creating a new section; and providing an expiration date.

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

5 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 43.330 6 RCW to read as follows:

7 (1) An advisory committee to advance the economic development of 8 quantum technologies is established with members as provided in this 9 section.

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(a) The lieutenant governor or designee;

11 (b) The director or designee;

12 (c) One or more representatives from an institution of higher 13 education, as defined in RCW 28B.10.016;

14 (d) Two representatives from technology companies with 15 headquarters in the state;

16 (e) One representative from an aerospace company with a factory 17 in the state;

18 (f) One representative from a company that builds and sells 19 quantum computers and software with a factory in the state; and

20 (g) One representative from the Pacific Northwest national 21 laboratory.

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(2) The members of the advisory committee shall be appointed by
 the director.

3 (3) The department must provide direction and ensure 4 accountability for the advisory committee through its information 5 technology sector lead within the office of economic development and 6 competitiveness.

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(4) The department must provide staff for the advisory committee.

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(a) Select a chair from among its membership;

(5) The advisory committee must:

10 (b) Meet at least quarterly, with the initial meeting no later 11 than August 1, 2025;

12 (c) Produce an annual report to the legislature with 13 recommendations to competitively promote a quantum technology 14 ecosystem in the state by November 1, 2025, and by November 1, 2026; 15 and

(d) Produce a workforce development plan by June 30, 2026.

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(6) This section expires June 30, 2027.

18 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.330
19 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this
 specific purpose, the department, through its office of economic
 development and competitiveness, shall establish a grant program to
 support applicants for federal grants related to quantum technology.

(2) The department must partner with an institution of higher
 education, as defined in RCW 28B.10.016, with a research program in
 quantum technology.

(3) The department may consult with technology companies, the northwest quantum nexus coalition, companies that build and sell quantum computers and software, or the Pacific Northwest national laboratory to identify relevant federal grants for the state's economic development.

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(4) The department must award grants on at least an annual basis.

(5) Eligible applicants must apply for the grant program in a manner to be determined by the department. The department shall require that an applicant receiving funds through the grant program must raise and contribute an amount at least equal to five times the state grant. Such matching funds may come from private foundations, federal or local sources, financial institutions, or any other source other than funds appropriated from the legislature.

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(6) The department may adopt rules to implement this section.

2 Sec. 3. RCW 42.56.270 and 2023 c 340 s 11 are each amended to 3 read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

(1) Valuable formulae, designs, drawings, computer source code or
object code, and research data obtained by any agency within five
years of the request for disclosure when disclosure would produce
private gain and public loss;

10 (2) Financial information supplied by or on behalf of a person, 11 firm, or corporation for the purpose of qualifying to submit a bid or 12 proposal for (a) a ferry system construction or repair contract as 13 required by RCW 47.60.680 through 47.60.750; (b) highway construction 14 or improvement as required by RCW 47.28.070; or (c) alternative 15 public works contracting procedures as required by RCW 39.10.200 16 through 39.10.905;

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, 43.168, and 43.181 RCW and RCW 43.155.160, or during application for economic development loans or program services provided by any local agency, or when submitting a grant application provided by section 2 of this act;

(5) 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;

32 (6) Financial and commercial information supplied to the state 33 investment board by any person when the information relates to the 34 investment of public trust or retirement funds and when disclosure 35 would result in loss to such funds or in private loss to the 36 providers of this information;

37 (7) Financial and valuable trade information under RCW 51.36.120;

(8) Financial, commercial, operations, and technical and research
 information and data submitted to or obtained by the clean Washington

1 center in applications for, or delivery of, program services under 2 chapter 70.95H RCW;

3 (9) Financial and commercial information requested by the public
4 stadium authority from any person or organization that leases or uses
5 the stadium and exhibition center as defined in RCW 36.102.010;

6 (10)(a) Financial information, including but not limited to 7 account numbers and values, and other identification numbers supplied 8 by or on behalf of a person, firm, corporation, limited liability 9 company, partnership, or other entity related to an application for a 10 horse racing license submitted pursuant to RCW 67.16.260(1)(b), 11 cannabis producer, processor, or retailer license, liquor license, 12 gambling license, or lottery retail license;

(b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;

(c) Valuable formulae or financial or proprietary commercial information records received during a consultative visit or while providing consultative services to a licensed cannabis business in accordance with RCW 69.50.561;

(11) Proprietary data, trade secrets, or other information that 22 relates to: (a) A vendor's unique methods of conducting business; (b) 23 data unique to the product or services of the vendor; or (c) 24 25 determining prices or rates to be charged for services, submitted by 26 any vendor to the department of social and health services or the health care authority for purposes of the development, acquisition, 27 or implementation of state purchased health care as defined in RCW 28 29 41.05.011;

30 (12)(a) When supplied to and in the records of the department of 31 commerce:

32 (i) Financial and proprietary information collected from any 33 person and provided to the department of commerce pursuant to RCW 34 43.330.050(8);

(ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying

1 information under this subsection and the locations being considered 2 for siting, relocation, or expansion of a business; and

3 (iii) Financial or proprietary information collected from any 4 person and provided to the department of commerce pursuant to RCW 5 43.31.625 (3)(b) and (4);

6 (b) When developed by the department of commerce based on 7 information as described in (a)(i) of this subsection, any work 8 product is not exempt from disclosure;

9 (c) For the purposes of this subsection, "siting decision" means 10 the decision to acquire or not to acquire a site;

(d) If there is no written contact for a period of 60 days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;

16 (13) Financial and proprietary information submitted to or 17 obtained by the department of ecology or the authority created under 18 chapter 70A.500 RCW to implement chapter 70A.500 RCW;

19 (14) Financial, commercial, operations, and technical and 20 research information and data submitted to or obtained by the life 21 sciences discovery fund authority in applications for, or delivery 22 of, grants under RCW 43.330.502, to the extent that such information, 23 if revealed, would reasonably be expected to result in private loss 24 to the providers of this information;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

30 (16) Any production records, mineral assessments, and trade 31 secrets submitted by a permit holder, mine operator, or landowner to 32 the department of natural resources under RCW 78.44.085;

33 (17)(a) Farm plans developed by conservation districts, unless 34 permission to release the farm plan is granted by the landowner or 35 operator who requested the plan, or the farm plan is used for the 36 application or issuance of a permit;

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;

1 (18) Financial, commercial, operations, and technical and 2 research information and data submitted to or obtained by a health 3 sciences and services authority in applications for, or delivery of, 4 grants under RCW 35.104.010 through 35.104.060, to the extent that 5 such information, if revealed, would reasonably be expected to result 6 in private loss to providers of this information;

7 (19) Information gathered under chapter 19.85 RCW or RCW 8 34.05.328 that can be identified to a particular business;

Financial and commercial information submitted to 9 (20)or obtained by the University of Washington, other than information the 10 11 university is required to disclose under RCW 28B.20.150, when the 12 information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to 13 14 result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this 15 16 information;

17 (21) Market share data submitted by a manufacturer under RCW 18 70A.500.190(4);

19 (22) Financial information supplied to the department of 20 financial institutions, when filed by or on behalf of an issuer of 21 securities for the purpose of obtaining the exemption from state 22 securities registration for small securities offerings provided under 23 RCW 21.20.880 or when filed by or on behalf of an investor for the 24 purpose of purchasing such securities;

(23) Unaggregated or individual notices of a transfer of crude oil that is financial, proprietary, or commercial information, submitted to the department of ecology pursuant to RCW 90.56.565(1)(a), and that is in the possession of the department of ecology or any entity with which the department of ecology has shared the notice pursuant to RCW 90.56.565;

31 (24) Financial institution and retirement account information, 32 and building security plan information, supplied to the liquor and 33 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and 34 69.50.345, when filed by or on behalf of a licensee or prospective 35 licensee for the purpose of obtaining, maintaining, or renewing a 36 license to produce, process, transport, or sell cannabis as allowed 37 under chapter 69.50 RCW;

(25) Cannabis transport information, vehicle and driver
 identification data, and account numbers or unique access identifiers
 issued to private entities for traceability system access, submitted

by an individual or business to the liquor and cannabis board under the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345 for the purpose of cannabis product traceability. Disclosure to local, state, and federal officials is not considered public disclosure for purposes of this section;

6 (26) Financial and commercial information submitted to or 7 obtained by the retirement board of any city that is responsible for the management of an employees' retirement system pursuant to the 8 authority of chapter 35.39 RCW, when the information relates to 9 investments in private funds, to the extent that such information, if 10 11 revealed, would reasonably be expected to result in loss to the 12 retirement fund or to result in private loss to the providers of this information except that (a) the names and commitment amounts of the 13 private funds in which retirement funds are invested and (b) the 14 aggregate quarterly performance results for a retirement fund's 15 16 portfolio of investments in such funds are subject to disclosure;

17 (27) Proprietary financial, commercial, operations, and technical 18 and research information and data submitted to or obtained by the 19 liquor and cannabis board in applications for cannabis research 20 licenses under RCW 69.50.372, or in reports submitted by cannabis 21 research licensees in accordance with rules adopted by the liquor and 22 cannabis board under RCW 69.50.372;

(28) Trade secrets, technology, proprietary information, and financial considerations contained in any agreements or contracts, entered into by a licensed cannabis business under RCW 69.50.395, which may be submitted to or obtained by the state liquor and cannabis board;

(29) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the Andy Hill cancer research endowment program in applications for, or delivery of, grants under chapter 43.348 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;

34 (30) Proprietary information filed with the department of health 35 under chapter 69.48 RCW;

36 (31) Records filed with the department of ecology under chapter
 37 70A.515 RCW that a court has determined are confidential valuable
 38 commercial information under RCW 70A.515.130; and

39 (32) Unaggregated financial, proprietary, or commercial40 information submitted to or obtained by the liquor and cannabis board

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in applications for licenses under RCW 66.24.140 or 66.24.145, or in any reports or remittances submitted by a person licensed under RCW 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis board under chapter 66.08 RCW.

5 <u>NEW SECTION.</u> Sec. 4. If specific funding for the purposes of 6 this act, referencing this act by bill or chapter number, is not 7 provided by June 30, 2025, in the omnibus appropriations act, this 8 act is null and void.

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