

HOUSE BILL REPORT

HB 1845

As Reported by House Committee On:

State Government

Title: An act relating to exempting bank account, social security, and credit card numbers from public disclosure.

Brief Description: Exempting bank account, social security, and credit card numbers from public disclosure.

Sponsors: Representatives Newhouse, Schual-Berke, Benson, Kirby, Linville, Moeller, Chase, Bush, Upthegrove, Veloria, McIntire, Skinner, Mielke and Rockefeller.

Brief History:

Committee Activity:

State Government: 2/28/03, 3/4/03 [DPS].

Brief Summary of Substitute Bill

- Exempts federal social security numbers from public disclosure and copying except when disclosure is expressly required, governed, or authorized by other law, and establishes that documents containing social security numbers are open for public inspection and copying when the social security number listed on such documents is also listed on the Social Security Administration's master death index.
- Limits exemptions on veterans' discharge papers to only those containing a social security number, and provides for the release of veterans' discharge papers when the number is released on the Social Security Administration's master death index.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; Hunt, McDermott, Nixon, Tom and Wallace.

Staff: Marsha Reilly (786-7135).

Background:

The open public records law was approved by state voters in 1972 as part of Initiative Measure No. 276. All public records of state agencies and local governments are open to public inspection and copying unless a law expressly excludes the public record from public inspection and copying. This disclosure requirement is liberally construed and any exception is narrowly constructed.

A person's right to privacy is invaded or violated only if disclosure of information about the person: (1) would be highly offensive to a reasonable person; and (2) is not of legitimate concern to the public. Beyond that, only those records expressly identified are considered exempt from disclosure.

Many exemptions to the law currently exist, including:

- personal information on students in public schools, patients or clients of public institutions or public health agencies, or welfare recipients;
- information revealing the identity of persons who are witnesses to or victims of crime;
- test questions, scoring keys, and other examination data used to administer a license, employment, or academic examination;
- financial and valuable trade information; and
- credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial account numbers supplied to an agency for the purpose of electronic transfer of funds.

Summary of Substitute Bill:

Credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial account numbers when supplied to an agency for the purpose of electronic transfer of funds is exempt from public disclosure. The exemption is broadened by 1) deleting the limitation "when supplied to an agency for the purpose of electronic transfer of funds," and 2) adding federal social security numbers. Exceptions for disclosure are limited only as expressly required by or governed by other law, or when a request for a document including a federal social security number is made by a financial institution, a credit reporting agency, or its authorized representative, or a licensed funeral director, and disclosure is authorized by other law.

Documents containing social security numbers are no longer exempt when the social security number on the document is listed on the Social Security Administration's master death index.

The current exemption for veterans' discharge papers is limited to only those records

containing a social security number. Discharge papers filed after June 30, 2002, are public records and are exempt from inspection and copying. Provisions are made for the release of veterans' discharge papers when the social security number on the discharge papers is listed on the Social Security Administration's master death file.

Substitute Bill Compared to Original Bill:

Exceptions for disclosure of documents containing social security numbers are broadened to include a credit reporting agency or its authorized representative, or a licensed funeral director, but only when disclosure is authorized by other law.

The substitute bill also allows for public inspection and copying of documents containing social security numbers when the social security number on the document is listed on the Social Security Administration's master death index.

Also in the substitute bill, the current exemption for veterans' discharge papers is limited to only those records containing a social security number. Discharge papers filed after June 30, 2002, are public records and are exempt from inspection and copying. Provisions are made for the release of veterans' discharge papers when the social security number on the discharge papers is listed on the Social Security Administration's master death index.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This legislation is part of a package of bills recommended by the Fraud Task Force. The estimate for financial fraud is in excess of \$50 million, most of which is through check, ATM and credit card fraud by organized crime. Perpetrators get information from public records. Even though the courts have upheld that social security numbers are exempt through a person's right to privacy, the numbers are still being released because many people are not aware of this interpretation. Explicitly listing social security numbers as exempt from public disclosure will help.

(In support with amendment) Consumer reporting agencies need access to social security numbers. Financial institutions need access to numbers to prevent fraud.

Testimony Against: The bill creates some unforeseen problems that need to be considered more carefully. Enforcement of judgments for child support or making payments for services for the state are some areas of concern.

Testified: (In support) Gary Gardner, Boeing Employees Credit Union; Denny Eliason, Washington Bankers Association; and Dave Horn, Office of the Attorney General.

(In support with amendment) Cliff Webster, Consumer Data Industry Association.

(Opposed) Rowland Thompson, Allied Daily Newspapers.