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SUBSTITUTE SENATE BILL 6484

State of Washington 53rd Legislature 1994 Regular Session

By Senate Committee on Law & Justice (originally sponsored by Senators A. Smith and Nelson; by request of Governor Lowry)

Read first time 02/04/94.

- AN ACT Relating to disclosure of information in civil court proceedings; adding new sections to chapter 4.24 RCW; creating new sections; repealing RCW 4.24.600, 4.24.610, and 4.24.620; repealing 4 1993 c 17 s 4 (uncodified); repealing 1993 c 17 s 5; and declaring an emergency.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 NEW SECTION. Sec. 1. The legislature finds that public INTENT. health and safety is promoted if individuals and businesses, 8 9 consumers, have knowledge that enables them to make informed choices 10 about risks associated with products they may use and exposure to toxic The legislature finds as a matter of public policy that 11 substances. 12 the public has a right to information necessary to help protect members 13 of the public from harm caused by public hazards such as defective 14 products or toxic substances. The legislature also recognizes that 15 reservation of trade secrets, confidential research, development, 16 proprietary, commercial, or financial information concerning products 17 methods, protects businesses business and prevents unfair 18 competition. The legislature intends to minimize intrusion into

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- 1 confidential information while providing information necessary for
- 2 public protection.
- 3 <u>NEW SECTION.</u> **Sec. 2.** DEFINITIONS. As used in sections 2 through 4 6 of this act:
- 5 (1) "Public hazard claim" means a civil action for damages for 6 personal injury, wrongful death, or property damage caused by a 7 defective product or hazardous or toxic substances, that presents a 8 risk of similar injury to other members of the public.
- 9 (2) "Confidentiality provision" means any terms contained in a 10 court order or private agreement settling, concluding, or terminating 11 a public hazard claim, whether those terms are integrated in the order 12 or private agreement or written separately, that limit the possession, 13 disclosure, or dissemination of information about an alleged public 14 hazard.
- NEW SECTION. Sec. 3. RIGHT TO KNOW. Members of the public have a right to protect themselves against public hazards. In controversies involving public hazard claims no confidentiality provision may be ordered or enforced that conceals information necessary for the public to understand the nature, source, and extent of the risk alleged from the public hazard, except as provided in section 5 of this act.
- 21 NEW SECTION. Sec. 4. PROTECTION OF BUSINESS INFORMATION. 22 secrets as defined in RCW 19.108.010, confidential research, 23 development, proprietary, financial, or commercial information concerning products or business methods, or personal information, are 24 25 exempt from restrictions on concealment contained in section 3 of this act unless prohibiting concealment of that information is necessary to 26 27 enable the public to understand the nature, source, and extent of the risk from an alleged public hazard. 28
- 29 <u>NEW SECTION.</u> **Sec. 5.** WHEN CONFIDENTIALITY PROVISIONS AUTHORIZED.
- 30 (1) In cases involving public hazard claims, confidentiality provisions
- 31 may be ordered by the court as part of temporary orders as to matters
- 32 the court deems appropriate.
- 33 (2) In cases involving public hazard claims, that by summary
- 34 judgment or judgment after trial the court determines that no public
- 35 hazard exists or that a public hazard exists but that the risk to the

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public is de minimis, confidentiality provisions may be ordered by the 2 court as to matters the court deems appropriate.

- 3 (3) In cases involving public hazard claims, that by summary 4 judgment or judgment after trial the court determines that a public hazard exists that is more than a de minimis risk to the public, 5 confidentiality provisions may be ordered by the court only as to 6 7 information the court finds not necessary for a lay member of the 8 public to understand the nature, source, and extent of the risk from 9 the public hazard that the court has found to exist.
- 10 (4) In cases involving public hazard claims that are resolved by agreement after filing the case but before judgment, and in cases 11 involving public hazard claims that are filed by third parties as 12 declaratory actions challenging confidentiality provisions in the 13 agreement, confidentiality provisions may be ordered by the court only 14 15 as to information the court finds, based upon the evidence, not 16 necessary for a lay member of the public to understand the nature, source, and extent of the risk from the alleged public hazard. 17 court finds, based upon the evidence that the risk from the alleged 18 19 public hazard, if proven, would be de minimis, confidentiality 20 provisions may be ordered for matters the court deems appropriate. The parties each have an affirmative duty to come forward with evidence of 21 22 the public hazard alleged.
- (5) In cases involving public hazard claims, the court shall make 23 24 every reasonable effort to insure that business and personal information under section 4 of this act is protected from disclosure, 26 unless such information is necessary to enable the public to protect itself from the hazard. 27

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- If sufficient information is released for the public to understand 28 the public hazard, no further information related to trade secrets as 29 30 defined in RCW 19.108.010, confidential research, development, proprietary, financial, or commercial information concerning products 31 or business methods, or personal information shall be released. 32
- insure that information released is 33 The court shall not unnecessarily duplicative, technical, or cumulative. 34
- 35 (6) Confidentiality provisions in private agreements entered into as part of the resolution of public hazard claims that are not adopted 36 37 consistent with the provisions of this section are voidable by the 38 court.

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- 1 (7) Nothing prevents the court from denying the request for 2 confidentiality provisions under other law.
- 3 <u>NEW SECTION.</u> **Sec. 6.** THIRD PARTY CLAIMS--FEES--DAMAGES. In cases
- 4 of third party actions challenging confidentiality provisions in orders
- 5 or agreements, the court has discretion to award to the prevailing
- 6 party costs and reasonable attorneys' fees, and such other terms as the
- 7 court deems just.
- 8 <u>NEW SECTION.</u> **Sec. 7.** APPLICATION. This act applies to all
- 9 confidentiality provisions entered or executed with respect to public
- 10 hazard claims on or after July 1, 1993. Nothing in this act shall
- 11 affect any judgment or private agreement entered into under chapter 17,
- 12 Laws of 1993.
- 13 NEW SECTION. Sec. 8. CAPTIONS. Captions as used in this act
- 14 constitute no part of the law.
- 15 <u>NEW SECTION.</u> **Sec. 9.** CODIFICATION. Sections 2 through 6 of this
- 16 act are each added to chapter 4.24 RCW.
- 17 <u>NEW SECTION.</u> **Sec. 10.** REPEALERS. The following acts or parts of
- 18 acts are each repealed:
- 19 (1) RCW 4.24.600 and 1993 c 17 s 1;
- 20 (2) RCW 4.24.610 and 1993 c 17 s 2;
- 21 (3) RCW 4.24.620 and 1993 c 17 s 3;
- 22 (4) 1993 c 17 s 4 (uncodified); and
- 23 (5) 1993 c 17 s 5.
- NEW SECTION. Sec. 11. This act is necessary for the immediate
- 25 preservation of the public peace, health, or safety, or support of the
- 26 state government and its existing public institutions, and shall take
- 27 effect immediately.

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