CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 5362

Chapter 17, Laws of 1993

(partial veto)

53rd Legislature 1993 Regular Session

PUBLIC HAZARDS--FULL DISCLOSURE OF CIVIL COURT PROCEEDINGS RELATING TO

EFFECTIVE DATE: 7/25/93

Passed by the Senate March 10, 1993 YEAS 25 NAYS 22

JOEL PRITCHARD

President of the Senate

Passed by the House March 29, 1993 YEAS 61 NAYS 35

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SENATE BILL 5362** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRIAN EBERSOLE

Speaker of the House of Representatives

Approved April 12, 1993, with the exception of section 6, which is vetoed.

MARTY BROWN

Secretary

FILED

April 12, 1993 - 3:41 p.m.

MIKE LOWRY

Governor of the State of Washington

Secretary of State State of Washington _____

ENGROSSED SENATE BILL 5362

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senators A. Smith, Niemi, Pelz, Spanel and Quigley
Read first time 01/25/93. Referred to Committee on Law & Justice.

- 1 AN ACT Relating to full disclosure of civil court proceedings
- 2 relating to public hazards; adding new sections to chapter 4.24 RCW;
- 3 adding a new section to chapter 4.16 RCW; creating a new section;
- 4 providing an effective date; and declaring an emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 4.24 RCW
- 7 to read as follows:
- 8 (1) As used in this section, "public hazard" means an
- 9 instrumentality, including but not limited to any device, instrument,
- 10 procedure, product, or a condition of a device, instrument, procedure,
- 11 or product, that:
- 12 (a) Presents a real and substantial potential for repetition of the
- 13 harm inflicted; or
- 14 (b) Involves a single incident which affected or was likely to
- 15 affect many people.
- 16 As used in this section, the term "procedure" does not include acts
- 17 or procedures by licensed professionals acting within the scope of
- 18 their licenses.

- (2) Except as provided in this section, no court shall enter an order or judgment which has the purpose or effect of concealing a public hazard or any relevant information or material concerning a public hazard, nor shall the court enter an order or judgment that has the purpose or effect of concealing any information or material that is relevant to the public's knowledge or understanding of a public hazard.
- (3) Any portion of an agreement or contract that has the purpose or effect of concealing a public hazard, relevant information or material concerning a public hazard, or information or material that is relevant to the public's knowledge or understanding of a public hazard, is void, contrary to public policy, and may not be enforced. A party to the agreement or contract may bring a declaratory action pursuant to this section to determine whether an agreement or contract conceals a public hazard and is void.
- (4)(a) In any declaratory or other civil action, a party may bring a motion for a temporary order restraining disclosure to the public or to third parties information or material about the party making the motion which is known to another party or which is sought from the party making the motion by another party. Upon good cause shown the court shall examine in camera the information or material sought to be protected. The court may in the court's discretion issue a temporary order restraining a party or parties from disseminating the protected information or material to the public or third parties. The temporary order shall terminate upon the entry of a final order or judgment or a dismissal of the action.
- (b) In any final order or judgment entered in any declaratory or other civil action, if the court finds that all or portions of the information or material sought to be protected is relevant to the public's knowledge or understanding of a public hazard, the court shall provide for disclosure of the information or material. If the court finds that all or a portion of the information or material sought to be protected is not relevant to the public's knowledge or understanding of the public hazard, the court shall require the information to be sealed and may include in the final order or judgment provisions restraining any or all parties from disclosing the information which is protected.
- (5)(a) Any third party, including but not limited to representatives of news media, has standing to contest a motion, order, judgment, agreement, or contract that allegedly conceals a public hazard. The third party may challenge the motion by intervention

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- during the court action or the third party may bring a declaratory action pursuant to this section to determine whether the agreement, contract, order, or judgment conceals a public hazard.
- (b) The third party must (i) establish the existence of a public hazard; (ii) establish that the public hazard was a subject within the agreement, contract, order, or judgment; and (iii) establish a basis for a reasonable belief by the third party that the agreement, contract, order, or judgment concealed the public hazard in violation of sections 1 through 3 of this act.
- (c) If the court finds that the third party has met the 10 requirements of (b) of this subsection, the court shall order the 11 defendant to produce the information or material for an in camera 12 13 review by the court. The court shall determine whether the information or material protected under the agreement, contract, order, or judgment 14 15 conceals a public hazard in violation of sections 1 through 3 of this 16 Upon review, the court shall issue an order regarding 17 dissemination of the information or material in accordance with subsection (4)(b) of this section. 18
- 19 (d) The court may award reasonable attorneys' fees and actual costs 20 to the prevailing party in an action under this subsection (5).
- NEW SECTION. Sec. 2. A new section is added to chapter 4.24 RCW to read as follows:
- 23 Any person who violates an order either publishing or sealing 24 information or material issued under sections 1 through 3 of this act, 25 shall be in contempt of court. The court shall award attorneys' fees 26 and costs incurred in enforcing the order plus actual damages against 27 the party who violated the order.
- NEW SECTION. Sec. 3. A new section is added to chapter 4.24 RCW to read as follows:
- Any party who attempts to condition an agreement or contract upon 30 31 another party's agreement to conceal an instrumentality that the party knows or reasonably should have known is a public hazard or any party 32 33 who enters into an agreement or contract that conceals an instrumentality that the party knows or reasonably should have known is 34 35 a public hazard shall be in violation of the consumer protection act, chapter 19.86 RCW. If the party is engaged in the business of 36 37 insurance then the party shall also be in violation of RCW 48.30.010.

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- 1 <u>NEW SECTION.</u> **Sec. 4.** This act shall apply to all agreements,
- 2 contracts, orders, and judgments entered on or after the effective date
- 3 of this act.
- 4 NEW SECTION. Sec. 5. A new section is added to chapter 4.16 RCW
- 5 to read as follows:
- 6 An action for declaratory relief or other civil action brought
- 7 pursuant to sections 1 through 3 of this act to determine whether an
- 8 agreement, contract, order, or judgment conceals a public hazard in
- 9 violation of sections 1 through 3 of this act must be brought within
- 10 three years of entry of the order or judgment or three years from the
- 11 date the parties entered into the agreement or contract.
- 12 *NEW SECTION. Sec. 6. This act is necessary for the immediate
- 13 preservation of the public peace, health, or safety, or support of the
- 14 state government and its existing public institutions, and shall take
- 15 effect July 1, 1993.
- 16 *Sec. 6 was vetoed, see message at end of chapter.

Passed the Senate March 10, 1993.

Passed the House March 29, 1993.

Approved by the Governor April 12, 1993, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State April 12, 1993.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 6, Engrossed Senate Bill No. 5362 entitled:

"AN ACT Relating to full disclosure of civil court proceedings relating to public hazards."

Section 6 of Engrossed Senate No. 5362 is an emergency clause which implements this bill on July 1, 1993. I do not believe that the early effective date is appropriate in this case. The purpose of ESB 5362 is to inform the public of the existence of public hazards, such as products or instrumentalities which pose a danger of damage or injury to the public, by establishing as the public policy of this state that information regarding the existence of such hazards not be sealed by court order nor concealed by private contract or agreement. It is not the intent of this bill to disclose trade secrets or other proprietary information protected under existing statutes, case law and court rules. The existence of a public hazard will be determined by the courts and only such information as the court determines to be necessary to inform the public of the existence and nature of the hazard will be subject to the disclosure requirements of the bill.

With the exception of section 6, Engrossed Senate Bill No. 5362 is approved."