
ENGROSSED SUBSTITUTE HOUSE BILL 2604

State of Washington

64th Legislature

2016 Regular Session

By House State Government (originally sponsored by Representatives Kuderer, Goodman, Johnson, Wilcox, Morris, Hudgins, MacEwen, and Wilson)

READ FIRST TIME 02/05/16.

1 AN ACT Relating to disclosure of financial, commercial, and
2 proprietary criminal background check information of employees of
3 private employers; and amending RCW 42.56.270.

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

5 **Sec. 1.** RCW 42.56.270 and 2015 c 274 s 24 are each amended to
6 read as follows:

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

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

13 (2) Financial information supplied by or on behalf of a person,
14 firm, or corporation for the purpose of qualifying to submit a bid or
15 proposal for (a) a ferry system construction or repair contract as
16 required by RCW 47.60.680 through 47.60.750 or (b) highway
17 construction or improvement as required by RCW 47.28.070;

18 (3) Financial and commercial information and records supplied by
19 private persons pertaining to export services provided under chapters
20 43.163 and 53.31 RCW, and by persons pertaining to export projects
21 under RCW 43.23.035;

1 (4) Financial and commercial information and records supplied by
2 businesses or individuals during application for loans or program
3 services provided by chapters 43.325, 43.163, 43.160, 43.330, and
4 43.168 RCW, or during application for economic development loans or
5 program services provided by any local agency;

6 (5) Financial information, business plans, examination reports,
7 and any information produced or obtained in evaluating or examining a
8 business and industrial development corporation organized or seeking
9 certification under chapter 31.24 RCW;

10 (6) Financial and commercial information supplied to the state
11 investment board by any person when the information relates to the
12 investment of public trust or retirement funds and when disclosure
13 would result in loss to such funds or in private loss to the
14 providers of this information;

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

16 (8) Financial, commercial, operations, and technical and research
17 information and data submitted to or obtained by the clean Washington
18 center in applications for, or delivery of, program services under
19 chapter 70.95H RCW;

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

23 (10)(a) Financial information, including but not limited to
24 account numbers and values, and other identification numbers supplied
25 by or on behalf of a person, firm, corporation, limited liability
26 company, partnership, or other entity related to an application for a
27 horse racing license submitted pursuant to RCW 67.16.260(1)(b),
28 marijuana producer, processor, or retailer license, liquor license,
29 gambling license, or lottery retail license;

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

35 (11) Proprietary data, trade secrets, or other information that
36 relates to: (a) A vendor's unique methods of conducting business; (b)
37 data unique to the product or services of the vendor; (~~(c)~~) (c)
38 determining prices or rates to be charged for services, submitted by
39 any vendor to the department of social and health services for
40 purposes of the development, acquisition, or implementation of state

1 purchased health care as defined in RCW 41.05.011; or (d) court case
2 numbers associated with specific court case files contained in
3 criminal background checks, and personally identifiable information
4 associated with requests for and responses to criminal background
5 checks, of employees of private cloud service providers who have
6 entered into a criminal justice information services information
7 agreement;

8 (12)(a) When supplied to and in the records of the department of
9 commerce:

10 (i) Financial and proprietary information collected from any
11 person and provided to the department of commerce pursuant to RCW
12 43.330.050(8); and

13 (ii) Financial or proprietary information collected from any
14 person and provided to the department of commerce or the office of
15 the governor in connection with the siting, recruitment, expansion,
16 retention, or relocation of that person's business and until a siting
17 decision is made, identifying information of any person supplying
18 information under this subsection and the locations being considered
19 for siting, relocation, or expansion of a business;

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

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

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

30 (13) Financial and proprietary information submitted to or
31 obtained by the department of ecology or the authority created under
32 chapter 70.95N RCW to implement chapter 70.95N RCW;

33 (14) Financial, commercial, operations, and technical and
34 research information and data submitted to or obtained by the life
35 sciences discovery fund authority in applications for, or delivery
36 of, grants under chapter 43.350 RCW, to the extent that such
37 information, if revealed, would reasonably be expected to result in
38 private loss to the providers of this information;

39 (15) Financial and commercial information provided as evidence to
40 the department of licensing as required by RCW 19.112.110 or

1 19.112.120, except information disclosed in aggregate form that does
2 not permit the identification of information related to individual
3 fuel licensees;

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

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

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

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

20 (19) Information gathered under chapter 19.85 RCW or RCW
21 34.05.328 that can be identified to a particular business;

22 (20) Financial and commercial information submitted to or
23 obtained by the University of Washington, other than information the
24 university is required to disclose under RCW 28B.20.150, when the
25 information relates to investments in private funds, to the extent
26 that such information, if revealed, would reasonably be expected to
27 result in loss to the University of Washington consolidated endowment
28 fund or to result in private loss to the providers of this
29 information;

30 (21) Market share data submitted by a manufacturer under RCW
31 70.95N.190(4);

32 (22) Financial information supplied to the department of
33 financial institutions or to a portal under RCW 21.20.883, when filed
34 by or on behalf of an issuer of securities for the purpose of
35 obtaining the exemption from state securities registration for small
36 securities offerings provided under RCW 21.20.880 or when filed by or
37 on behalf of an investor for the purpose of purchasing such
38 securities; and

39 (23) Unaggregated or individual notices of a transfer of crude
40 oil that is financial, proprietary, or commercial information,

1 submitted to the department of ecology pursuant to RCW
2 90.56.565(1)(a), and that is in the possession of the department of
3 ecology or any entity with which the department of ecology has shared
4 the notice pursuant to RCW 90.56.565.

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