

# HOUSE BILL REPORT

## ESHB 1245

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### As Passed Legislature

**Title:** An act relating to exemption of certain financial and proprietary information from public disclosure.

**Brief Description:** Exempting certain financial and proprietary information from public disclosure.

**Sponsors:** By House Committee on State Government (Originally sponsored by Representatives Morris, Dunn and Rockefeller; by request of Department of Community, Trade, and Economic Development).

#### **Brief History:**

##### **Committee Activity:**

State Government: 1/27/99, 2/24/99 [DPS].

##### **Floor Activity:**

Passed House: 3/10/99, 98-0.

Passed Senate: 4/13/99, 45-2.

Passed Legislature.

#### **Brief Summary of Substitute Bill**

- Establishes limitations on the public disclosure of financial or proprietary information, and certain information concerning potential siting of businesses that is supplied by businesses seeking to site or expand their businesses in the state.

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### HOUSE COMMITTEE ON STATE GOVERNMENT

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives McMorris, Republican Co-Chair; Romero, Democratic Co-Chair; Campbell, Republican Vice Chair; Miloscia, Democratic Vice Chair; Dunshee; Haigh; Lambert and D. Schmidt.

**Staff:** Steve Lundin (786-7127).

**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 records from public inspection and copying. This disclosure requirement is liberally construed, and any exception is narrowly constructed.

Among other express exclusions, the following public records are not available for inspection and copying by the public: (1) Personal information in files the disclosure of which would violate the right to privacy; (2) certain taxpayer information; (3) certain financial and commercial information supplied by individuals applying for various programs; and (4) residential addresses and residential telephone numbers of public utility customers.

In a few instances information in public records is provided with more extensive protection from public disclosure by being declared to be confidential or are prohibited from being disclosed. For example, financial or proprietary information supplied by entrepreneurs to the Department of Community, Trade, and Economic Development (CTED) may not be made available to the public.

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**Summary of Bill:**

Financial and proprietary information, and information on siting businesses, that is supplied by businesses seeking to site or expand their businesses in the state shall not be disclosed to the public by the office of the Governor or CTED. However, the public may inspect information on siting the business once a siting decision has been made or if written contract between the business and CTED has not been made for a period of 60 days.

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**Appropriation:** None.**Fiscal Note:** Not requested.**Effective Date:** Ninety days after adjournment of session in which bill is passed.**Testimony For:** (Original bill) Neighboring states have broader disclosure restrictions than we do. This includes marketing strategies and should be kept confidential.**Testimony Against:** (Concerns with original bill) Government is becoming more closely involved with business. It is important for communities to see who they are dealing with. At some point, the public needs to know.

**Testified:** (In favor) Peter McMillin, Community, Trade, and Economic Development; and Nathan Owen, Cardinal IG Corporation.

(Concerns with original bill) Rowland Thompson, Allied Daily Newspaper.