

# FINAL BILL REPORT

## SB 6170

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FULL VETO  
VETO OVERRIDE  
Synopsis as Enacted

**Brief Description:** Providing for an exemption from disclosure of certain financial, commercial, and proprietary information held by a city retirement board on behalf of its employees' retirement system.

**Sponsors:** Senators Roach, Darneille and Benton.

**Senate Committee on Government Operations & Security**  
**House Committee on State Government**

**Background:** The Public Records Act (PRA). The PRA, enacted in 1972 as part of Initiative 276, requires that state and local governments make all public records available for public inspection and copying unless certain statutory exemptions apply. The provisions requiring disclosure of public records are interpreted liberally, while the exemptions from disclosure are narrowly construed, to effectuate a policy favoring disclosure.

The PRA contains a variety of exemptions from disclosure for financial, commercial, and proprietary information. One exemption is for financial and commercial information supplied to the State Investment Board relating to the investment of retirement funds when disclosure would result in loss of retirement funds or private loss to the provider of that information. Financial or commercial information supplied to the University of Washington (UW) relating to investments in private funds is exempt from disclosure if revealing the information would reasonably be expected to result in loss to the UW endowment or private loss to the provider of that information.

Municipal Retirement Systems. First class city retirement systems were first authorized by state law in 1939. Seattle, Tacoma, and Spokane currently operate retirement systems for their municipal employees, collectively covering about 22,000 employees. Municipal retirement systems may invest funds in a variety of assets, including publicly traded stocks, bonds, and securities, as well as in privately managed funds.

**Summary:** Financial and commercial information relating to a municipal employee retirement board's investment in private funds is exempt from public disclosure if disclosure of that information would reasonably be expected to result in a loss to either the retirement fund or to providers of that information.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Two types of information relating to a municipal employee retirement board's investment in private funds are subject to public disclosure:

- the names of private funds and the amount of retirement fund investment in those funds; and
- the aggregate quarterly performance results for the retirement fund's investments in a private fund.

**Votes on Final Passage:**

Senate	47	0
House	97	0

**Votes on Veto Override:**

First Special Session

Senate	39	0
House	87	7

**Effective:** June 28, 2016