SENATE BILL REPORT SB 6356

As Reported by Senate Committee On: Government Operations & Security, January 28, 2016

Title: An act relating to disclosure of financial, commercial, and proprietary criminal background check information of employees of private employers.

Brief Description: Concerning disclosure of financial, commercial, and proprietary information of employees of private employers.

Sponsors: Senators Roach, Ranker, Takko, McCoy, Hobbs, Litzow, Fain, Hasegawa and Chase.

Brief History:

Committee Activity: Government Operations & Security: 1/25/16, 1/28/16 [DPS].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

Majority Report: That Substitute Senate Bill No. 6356 be substituted therefor, and the substitute bill do pass.

Signed by Senators Roach, Chair; Benton, Vice Chair; Pearson, Vice Chair; Dansel, Habib, McCoy and Takko.

Staff: Samuel Brown (786-7470)

Background: The Public Records Act (PRA). The PRA, enacted in 1972 as part of Initiative 276, requires that all 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 proprietary data, trade secrets, and other information relating to unique methods of doing business, unique data about a vendor's product or services, or methods used by vendors for determining the prices or rates charged to the Department of Social and Health Services relating to state-purchased health care.

<u>Background Checks.</u> Public records law also exempts two types of background check information from public disclosure. Information in applications for concealed pistol licenses, which include use of the National Instant Criminal Background Check system, may only be

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disclosed to law enforcement officials. The results of criminal background checks conducted on guardians ad litem, including background checks allowed through the state Criminal Records Privacy Act, the State Patrol criminal identification system, and the Federal Bureau of Investigation, may not be disclosed.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): Information relating to criminal background checks, including personally identifiable information associated with requests for and responses to criminal background checks, of employees of private cloud service providers is exempt from public disclosure requirements.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on First Substitute Bill: PRO: American citizens want privacy in their line of work. This closes a serious cyber-security threat to cloud computing services that maintain data for law enforcement information. Law enforcement agencies are required to provide security safeguards to information they maintain, and all personnel who could have access to that information must be subject to background checks. Background checks contain all sorts of sensitive information that could be used by malicious actors interested in stealing sensitive government information; even disclosure of employee names would reveal who to attack to get access to information.

CON: It is extremely important for the public to trust public employers and the contractors they employ and know that employees have passed through these background checks, just like their public employee counterparts. This is going down a slippery slope. The biggest risk here is other employers trying to lure these employees away. There is no public policy reason for this information to be withheld. This is not classified information, just state information.

Persons Testifying on First Substitute Bill: PRO: Senator Roach, prime sponsor; Ryan Harkins, Microsoft.

CON: Rowland Thompson, Allied Daily Newspapers of Washington.

Persons Signed In To Testify But Not Testifying: No one.