
HOUSE BILL 2119

State of Washington

64th Legislature

2015 Regular Session

By Representatives Smith and Pollet

Read first time 02/13/15. Referred to Committee on Finance.

1 AN ACT Relating to consumer data privacy protection and the work
2 of a task force to consider creating a consumer data privacy
3 protection office; adding a new section to chapter 82.04 RCW; adding
4 a new section to chapter 43.79 RCW; creating a new section; and
5 providing an expiration date.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04
8 RCW to read as follows:

9 (1) Beginning October 1, 2015, upon every person within this
10 state receiving income from the sale of smart metering system data,
11 the amount of tax with respect to such activity is equal to the gross
12 income from the sale of smart metering system data multiplied by the
13 rate of 1.6 percent.

14 (2) The taxes collected under this section must be deposited in
15 the data privacy enforcement account created in section 3 of this
16 act, with the remainder to the state general fund.

17 (3) The definitions in this subsection apply throughout this
18 section unless the context clearly requires otherwise.

19 (a) "Smart metering system" means a system that collects,
20 measures, and analyzes, or any combination thereof, energy
21 consumption data via two-way communications.

1 (b) "Smart metering system data" means the data transmitted by a
2 smart metering system from an energy consumer to the energy supplier
3 or any other party.

4 NEW SECTION. **Sec. 2.** (1)(a) A legislative task force on data
5 privacy is established, with eleven members as provided in this
6 subsection.

7 (i) The president of the senate must appoint one member from each
8 of the two largest caucuses of the senate.

9 (ii) The speaker of the house of representatives must appoint one
10 member from each of the two largest caucuses of the house of
11 representatives.

12 (iii) The governor must appoint one member.

13 (iv) The state auditor or his or her designee.

14 (v) The state attorney general or his or her designee.

15 (vi) The legislative members must each appoint one individual,
16 who must, at a minimum, have private sector experience in advocacy or
17 representation on behalf of consumers or data privacy protection.

18 (b) The task force must choose its cochairs from among its
19 legislative membership. A legislator in the house of representatives
20 must convene the initial meeting of the task force.

21 (2) The task force must evaluate and make recommendations on the
22 following issues:

23 (a) Whether the legislature should establish a state government
24 office of the privacy commissioner to protect and promote the privacy
25 rights of individuals. As part of this evaluation, the task force
26 must examine the office of the privacy commissioner of Canada.

27 (b) If the task force recommends that the legislature establish a
28 state government office of the privacy commissioner as described in
29 (a) of this subsection (2), the mandate, mission, and organizational
30 structure of such an office.

31 (3) Staff support for the task force must be provided by the
32 senate committee services and the house of representatives office of
33 program research. The task force may contract for specialized
34 consulting services as it deems appropriate.

35 (4) Legislative members of the task force must be reimbursed for
36 travel expenses in accordance with RCW 44.04.120. Nonlegislative
37 members, except those representing an employer or organization, are
38 entitled to be reimbursed for travel expenses in accordance with RCW
39 43.03.050 and 43.03.060.

1 (5) The expenses of the task force must be paid from the data
2 privacy enforcement account created in section 3 of this act. Task
3 force expenditures are subject to approval by the senate facilities
4 and operations committee and the house of representatives executive
5 rules committee, or their successor committees.

6 (6) By December 1, 2016, and in compliance with RCW 43.01.036,
7 the task force must report its findings and recommendations to the
8 governor and the appropriate committees of the legislature.

9 (7) This section expires July 1, 2017.

10 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.79
11 RCW to read as follows:

12 The data privacy enforcement account is created in the state
13 treasury. All receipts allocated to the account as provided in
14 section 1 of this act must be deposited in the account. Moneys in the
15 account may be spent only after appropriation. Expenditures from the
16 account may be used for the following:

17 (1) The work of the task force created in section 2 of this act
18 and any studies or expenses of witnesses and experts that the task
19 force may deem appropriate; and

20 (2) The education and training of staff or officials of local
21 government in cybersecurity and information privacy best practices.

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