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## Commerce & Gaming Committee

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### HB 1838

**Brief Description:** Exempting certain licensed distillery information from public disclosure.

**Sponsors:** Representatives Walsh, Goehner, Hudgins, Gregerson and Stanford.

#### Brief Summary of Bill

- Exempts certain unaggregated financial, proprietary, or commercial information obtained from distillery applicants and licensees from disclosure under the state Public Records Act.

**Hearing Date:** 2/15/19

**Staff:** Kyle Raymond (786-7190).

#### **Background:**

##### Licensed Distilleries.

The state Liquor & Cannabis Board (LCB) issues licenses to distillers that permit licensees to distill, blend, rectify and bottle spirituous liquor. Distillers producing 150,000 gallons or less of spirits with at least half of the raw materials used in the production grown in Washington are considered craft distilleries and pay a reduced license fee. Craft distilleries may sell spirits of their own production for consumption off the premises, provided that the craft distillery complies with applicable laws and rules relating to retailers.

By rule, distillery licensees are required to submit copies of its monthly records to the LCB, which contain financial information that includes, but is not limited to, spirit production totals and daily sales transaction detail.

##### Public Records Act.

The Public Records Act (PRA) requires state and local agencies to disclose requested written records to the public for inspection and copying upon request, unless the information fits into one of the various specific exemptions under the PRA or as otherwise provided in law. For example,

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certain financial, commercial, and proprietary information is exempt from public inspection and copying. The stated policy of the PRA favors disclosure and requires narrow application of the listed exemptions.

**Summary of Bill:**

A new exemption is added to the PRA that protects unaggregated financial, proprietary, or commercial information submitted to or obtained by the Liquor and Cannabis Board in applications for distillery or craft distillery licenses, or in any reports or remittances submitted by licensees.

**Appropriation:** None.

**Fiscal Note:** Requested on February 8, 2019.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.