
HOUSE BILL 1838

State of Washington

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By Representatives Walsh, Goehner, Hudgins, Gregerson, and Stanford

Read first time 02/01/19. Referred to Committee on Commerce & Gaming.

1 AN ACT Relating to public disclosure of unaggregated financial,
2 proprietary, or commercial information submitted to the liquor and
3 cannabis board by a licensed distillery; and reenacting and amending
4 RCW 42.56.270.

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

6 **Sec. 1.** RCW 42.56.270 and 2018 c 201 s 8008, 2018 c 196 c 21,
7 and 2018 c 4 s 9 are each reenacted and amended to read as follows:

8 The following financial, commercial, and proprietary information
9 is exempt from disclosure under this chapter:

10 (1) Valuable formulae, designs, drawings, computer source code or
11 object code, and research data obtained by any agency within five
12 years of the request for disclosure when disclosure would produce
13 private gain and public loss;

14 (2) Financial information supplied by or on behalf of a person,
15 firm, or corporation for the purpose of qualifying to submit a bid or
16 proposal for (a) a ferry system construction or repair contract as
17 required by RCW 47.60.680 through 47.60.750 or (b) highway
18 construction or improvement as required by RCW 47.28.070;

19 (3) Financial and commercial information and records supplied by
20 private persons pertaining to export services provided under chapters

1 43.163 and 53.31 RCW, and by persons pertaining to export projects
2 under RCW 43.23.035;

3 (4) Financial and commercial information and records supplied by
4 businesses or individuals during application for loans or program
5 services provided by chapters 43.325, 43.163, 43.160, 43.330, and
6 43.168 RCW, or during application for economic development loans or
7 program services provided by any local agency;

8 (5) Financial information, business plans, examination reports,
9 and any information produced or obtained in evaluating or examining a
10 business and industrial development corporation organized or seeking
11 certification under chapter 31.24 RCW;

12 (6) Financial and commercial information supplied to the state
13 investment board by any person when the information relates to the
14 investment of public trust or retirement funds and when disclosure
15 would result in loss to such funds or in private loss to the
16 providers of this information;

17 (7) Financial and valuable trade information under RCW 51.36.120;

18 (8) Financial, commercial, operations, and technical and research
19 information and data submitted to or obtained by the clean Washington
20 center in applications for, or delivery of, program services under
21 chapter 70.95H RCW;

22 (9) Financial and commercial information requested by the public
23 stadium authority from any person or organization that leases or uses
24 the stadium and exhibition center as defined in RCW 36.102.010;

25 (10)(a) Financial information, including but not limited to
26 account numbers and values, and other identification numbers supplied
27 by or on behalf of a person, firm, corporation, limited liability
28 company, partnership, or other entity related to an application for a
29 horse racing license submitted pursuant to RCW 67.16.260(1)(b),
30 marijuana producer, processor, or retailer license, liquor license,
31 gambling license, or lottery retail license;

32 (b) Internal control documents, independent auditors' reports and
33 financial statements, and supporting documents: (i) Of house-banked
34 social card game licensees required by the gambling commission
35 pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted
36 by tribes with an approved tribal/state compact for class III gaming;

37 (11) Proprietary data, trade secrets, or other information that
38 relates to: (a) A vendor's unique methods of conducting business; (b)
39 data unique to the product or services of the vendor; or (c)
40 determining prices or rates to be charged for services, submitted by

1 any vendor to the department of social and health services or the
2 health care authority for purposes of the development, acquisition,
3 or implementation of state purchased health care as defined in RCW
4 41.05.011;

5 (12)(a) When supplied to and in the records of the department of
6 commerce:

7 (i) Financial and proprietary information collected from any
8 person and provided to the department of commerce pursuant to RCW
9 43.330.050(8); and

10 (ii) Financial or proprietary information collected from any
11 person and provided to the department of commerce or the office of
12 the governor in connection with the siting, recruitment, expansion,
13 retention, or relocation of that person's business and until a siting
14 decision is made, identifying information of any person supplying
15 information under this subsection and the locations being considered
16 for siting, relocation, or expansion of a business;

17 (b) When developed by the department of commerce based on
18 information as described in (a)(i) of this subsection, any work
19 product is not exempt from disclosure;

20 (c) For the purposes of this subsection, "siting decision" means
21 the decision to acquire or not to acquire a site;

22 (d) If there is no written contact for a period of sixty days to
23 the department of commerce from a person connected with siting,
24 recruitment, expansion, retention, or relocation of that person's
25 business, information described in (a)(ii) of this subsection will be
26 available to the public under this chapter;

27 (13) Financial and proprietary information submitted to or
28 obtained by the department of ecology or the authority created under
29 chapter 70.95N RCW to implement chapter 70.95N RCW;

30 (14) Financial, commercial, operations, and technical and
31 research information and data submitted to or obtained by the life
32 sciences discovery fund authority in applications for, or delivery
33 of, grants under chapter 43.350 RCW, to the extent that such
34 information, if revealed, would reasonably be expected to result in
35 private loss to the providers of this information;

36 (15) Financial and commercial information provided as evidence to
37 the department of licensing as required by RCW 19.112.110 or
38 19.112.120, except information disclosed in aggregate form that does
39 not permit the identification of information related to individual
40 fuel licensees;

1 (16) Any production records, mineral assessments, and trade
2 secrets submitted by a permit holder, mine operator, or landowner to
3 the department of natural resources under RCW 78.44.085;

4 (17)(a) Farm plans developed by conservation districts, unless
5 permission to release the farm plan is granted by the landowner or
6 operator who requested the plan, or the farm plan is used for the
7 application or issuance of a permit;

8 (b) Farm plans developed under chapter 90.48 RCW and not under
9 the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject
10 to RCW 42.56.610 and 90.64.190;

11 (18) Financial, commercial, operations, and technical and
12 research information and data submitted to or obtained by a health
13 sciences and services authority in applications for, or delivery of,
14 grants under RCW 35.104.010 through 35.104.060, to the extent that
15 such information, if revealed, would reasonably be expected to result
16 in private loss to providers of this information;

17 (19) Information gathered under chapter 19.85 RCW or RCW
18 34.05.328 that can be identified to a particular business;

19 (20) Financial and commercial information submitted to or
20 obtained by the University of Washington, other than information the
21 university is required to disclose under RCW 28B.20.150, when the
22 information relates to investments in private funds, to the extent
23 that such information, if revealed, would reasonably be expected to
24 result in loss to the University of Washington consolidated endowment
25 fund or to result in private loss to the providers of this
26 information;

27 (21) Market share data submitted by a manufacturer under RCW
28 70.95N.190(4);

29 (22) Financial information supplied to the department of
30 financial institutions or to a portal under RCW 21.20.883, when filed
31 by or on behalf of an issuer of securities for the purpose of
32 obtaining the exemption from state securities registration for small
33 securities offerings provided under RCW 21.20.880 or when filed by or
34 on behalf of an investor for the purpose of purchasing such
35 securities;

36 (23) Unaggregated or individual notices of a transfer of crude
37 oil that is financial, proprietary, or commercial information,
38 submitted to the department of ecology pursuant to RCW
39 90.56.565(1)(a), and that is in the possession of the department of

1 ecology or any entity with which the department of ecology has shared
2 the notice pursuant to RCW 90.56.565;

3 (24) Financial institution and retirement account information,
4 and building security plan information, supplied to the liquor and
5 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and
6 69.50.345, when filed by or on behalf of a licensee or prospective
7 licensee for the purpose of obtaining, maintaining, or renewing a
8 license to produce, process, transport, or sell marijuana as allowed
9 under chapter 69.50 RCW;

10 (25) Marijuana transport information, vehicle and driver
11 identification data, and account numbers or unique access identifiers
12 issued to private entities for traceability system access, submitted
13 by an individual or business to the liquor and cannabis board under
14 the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and
15 69.50.345 for the purpose of marijuana product traceability.
16 Disclosure to local, state, and federal officials is not considered
17 public disclosure for purposes of this section;

18 (26) Financial and commercial information submitted to or
19 obtained by the retirement board of any city that is responsible for
20 the management of an employees' retirement system pursuant to the
21 authority of chapter 35.39 RCW, when the information relates to
22 investments in private funds, to the extent that such information, if
23 revealed, would reasonably be expected to result in loss to the
24 retirement fund or to result in private loss to the providers of this
25 information except that (a) the names and commitment amounts of the
26 private funds in which retirement funds are invested and (b) the
27 aggregate quarterly performance results for a retirement fund's
28 portfolio of investments in such funds are subject to disclosure;

29 (27) Proprietary financial, commercial, operations, and technical
30 and research information and data submitted to or obtained by the
31 liquor and cannabis board in applications for marijuana research
32 licenses under RCW 69.50.372, or in reports submitted by marijuana
33 research licensees in accordance with rules adopted by the liquor and
34 cannabis board under RCW 69.50.372;

35 (28) Trade secrets, technology, proprietary information, and
36 financial considerations contained in any agreements or contracts,
37 entered into by a licensed marijuana business under RCW 69.50.395,
38 which may be submitted to or obtained by the state liquor and
39 cannabis board; (~~and~~)

1 (29) Financial, commercial, operations, and technical and
2 research information and data submitted to or obtained by the Andy
3 Hill cancer research endowment program in applications for, or
4 delivery of, grants under chapter 43.348 RCW, to the extent that such
5 information, if revealed, would reasonably be expected to result in
6 private loss to providers of this information; (~~and~~)

7 (30) Proprietary information filed with the department of health
8 under chapter 69.48 RCW; and

9 (31) Unaggregated financial, proprietary, or commercial
10 information submitted to or obtained by the liquor and cannabis board
11 in applications for licenses under RCW 66.24.140 or 66.24.145, or in
12 any reports or remittances submitted by a person licensed under RCW
13 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis
14 board under chapter 66.08 RCW.

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