

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1222

69th Legislature
2025 Regular Session

Passed by the House February 13, 2025
Yeas 73 Nays 21

**Speaker of the House of
Representatives**

Passed by the Senate April 8, 2025
Yeas 47 Nays 2

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1222** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

HOUSE BILL 1222

Passed Legislature - 2025 Regular Session

State of Washington

69th Legislature

2025 Regular Session

By Representatives Stearns and Kloba; by request of Gambling Commission

Prefiled 01/09/25. Read first time 01/13/25. Referred to Committee on State Government & Tribal Relations.

1 AN ACT Relating to public inspection and copying of proprietary
2 financial and security information submitted to or obtained by the
3 gambling commission; and amending RCW 42.56.270.

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

5 **Sec. 1.** RCW 42.56.270 and 2023 c 340 s 11 are each amended to
6 read as follows:

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

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

13 (2) Financial information supplied by or on behalf of a person,
14 firm, or corporation for the purpose of qualifying to submit a bid or
15 proposal for (a) a ferry system construction or repair contract as
16 required by RCW 47.60.680 through 47.60.750; (b) highway construction
17 or improvement as required by RCW 47.28.070; or (c) alternative
18 public works contracting procedures as required by RCW 39.10.200
19 through 39.10.905;

20 (3) Financial and commercial information and records supplied by
21 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, 43.168,
6 and 43.181 RCW and RCW 43.155.160, or during application for economic
7 development loans or 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 cannabis producer, processor, or retailer license, liquor license,
31 gambling license, or lottery retail license;

32 (b) (~~Internal control documents, independent auditors' reports~~
33 ~~and financial statements, and supporting documents: (i) Of house-~~
34 ~~banked 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~~
37 ~~gaming)) Proprietary financial and security information submitted to~~
38 ~~or obtained by the gambling commission from and on behalf of license~~
39 ~~applicants, licensees, gaming facilities, or a tribe pursuant to an~~

1 approved tribal/state compact. Proprietary financial and security
2 information includes, but is not limited to, the following:

3 (i) Financial statements and transactions including but not
4 limited to independent auditors' reports and financial statements
5 with any supporting documents, bank account records, player tracking
6 records, bond issuances, loan agreements, purchase agreements, and
7 stock buyouts. However, quarterly license reports are not exempt;

8 (ii) Information that describes the internal operational system
9 or internal procedures of the gaming facility designed to promote
10 efficiency, safeguard assets, and avoid fraud and error, including
11 but not limited to records pertaining to security camera technical
12 specifications, operation, and placement; cash out procedures and
13 locations; cage security information; building access controls; and
14 personally identifiable information control procedures;

15 (iii) Gaming facility security information, including but not
16 limited to descriptions of facility layout and schematics, firewall
17 configurations, network topologies, source code, software files,
18 cryptographic hashes of software files, risk and security assessment
19 reports, disaster recovery plans, incident response plans, and any
20 other sensitive information that may negatively impact the security
21 of the facility if released; and

22 (iv) Gaming equipment information, including but not limited to
23 related hardware, software, and security information, such as
24 firewall configurations, field testing data and results from testing,
25 network topologies or diagrams, source code, software files,
26 cryptographic hashes of software files, schematics, user credentials,
27 system components, and any other sensitive information about the
28 equipment that may compromise the security and integrity of the
29 equipment if released;

30 (c) Valuable formulae or financial or proprietary commercial
31 information records received during a consultative visit or while
32 providing consultative services to a licensed cannabis business in
33 accordance with RCW 69.50.561;

34 (11) Proprietary data, trade secrets, or other information that
35 relates to: (a) A vendor's unique methods of conducting business; (b)
36 data unique to the product or services of the vendor; or (c)
37 determining prices or rates to be charged for services, submitted by
38 any vendor to the department of social and health services or the
39 health care authority for purposes of the development, acquisition,

1 or implementation of state purchased health care as defined in RCW
2 41.05.011;

3 (12)(a) When supplied to and in the records of the department of
4 commerce:

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

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

15 (iii) Financial or proprietary information collected from any
16 person and provided to the department of commerce pursuant to RCW
17 43.31.625 (3)(b) and (4);

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

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

23 (d) If there is no written contact for a period of 60 days to the
24 department of commerce from a person connected with siting,
25 recruitment, expansion, retention, or relocation of that person's
26 business, information described in (a)(ii) of this subsection will be
27 available to the public under this chapter;

28 (13) Financial and proprietary information submitted to or
29 obtained by the department of ecology or the authority created under
30 chapter 70A.500 RCW to implement chapter 70A.500 RCW;

31 (14) Financial, commercial, operations, and technical and
32 research information and data submitted to or obtained by the life
33 sciences discovery fund authority in applications for, or delivery
34 of, grants under RCW 43.330.502, to the extent that such information,
35 if revealed, would reasonably be expected to result in private loss
36 to the providers of this information;

37 (15) Financial and commercial information provided as evidence to
38 the department of licensing as required by RCW 19.112.110 or
39 19.112.120, except information disclosed in aggregate form that does

1 not permit the identification of information related to individual
2 fuel licensees;

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

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

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

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

19 (19) Information gathered under chapter 19.85 RCW or RCW
20 34.05.328 that can be identified to a particular business;

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

29 (21) Market share data submitted by a manufacturer under RCW
30 70A.500.190(4);

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

37 (23) Unaggregated or individual notices of a transfer of crude
38 oil that is financial, proprietary, or commercial information,
39 submitted to the department of ecology pursuant to RCW
40 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 cannabis as allowed
9 under chapter 69.50 RCW;

10 (25) Cannabis 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 cannabis 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 cannabis research
32 licenses under RCW 69.50.372, or in reports submitted by cannabis
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 cannabis business under RCW 69.50.395,
38 which may be submitted to or obtained by the state liquor and
39 cannabis board;

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;

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

9 (31) Records filed with the department of ecology under chapter
10 70A.515 RCW that a court has determined are confidential valuable
11 commercial information under RCW 70A.515.130; and

12 (32) Unaggregated financial, proprietary, or commercial
13 information submitted to or obtained by the liquor and cannabis board
14 in applications for licenses under RCW 66.24.140 or 66.24.145, or in
15 any reports or remittances submitted by a person licensed under RCW
16 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis
17 board under chapter 66.08 RCW.

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