# SENATE BILL NO. \_\_\_\_\_ HOUSE BILL NO. \_\_\_\_\_

1 A BILL to amend and reenact §§ 2.2-3701 and 2.2-3705.6 of the Code of Virginia, relating to the 2 Virginia Freedom of Information Act; definition of confidential information; record exclusion 3 for same. 4 Be it enacted by the General Assembly of Virginia: 5 1. That §§ 2.2-3701 and 2.2-3705.6 of the Code of Virginia are amended and reenacted as follows: 6 § 2.2-3701. Definitions. 7 As used in this chapter, unless the context requires a different meaning: 8 "Closed meeting" means a meeting from which the public is excluded. 9 "Confidential information" means financial information, including balance sheets and financial statements, or other information of a submitting entity that are not (i) generally available to the public 10 11 through regulatory disclosure or otherwise or (ii) trade secrets as defined in the Uniform Trade Secrets 12 Act (§ 59.1-336 et seq.), where if such information was made public, the financial interest or 13 competitive position of the submitting entity would be adversely affected. 14 "Electronic communication" means any audio or combined audio and visual communication 15 method. "Emergency" means an unforeseen circumstance rendering the notice required by this chapter 16 17 impossible or impracticable and which circumstance requires immediate action. 18 "Information" as used in the exclusions established by §§ 2.2-3705.1 through 2.2-3705.7, means 19 the content within a public record that references a specifically identified subject matter, and shall not be 20 interpreted to require the production of information that is not embodied in a public record. 21 "Meeting" or "meetings" means the meetings including work sessions, when sitting physically, 22 or through telephonic or video equipment pursuant to § 2.2-3708 or 2.2-3708.1, as a body or entity, or as

an informal assemblage of (i) as many as three members or (ii) a quorum, if less than three, of the
constituent membership, wherever held, with or without minutes being taken, whether or not votes are
cast, of any public body. Neither the gathering of employees of a public body nor the gathering or

attendance of two or more members of a public body (i) at any place or function where no part of the 26 27 purpose of such gathering or attendance is the discussion or transaction of any public business, and such 28 gathering or attendance was not called or prearranged with any purpose of discussing or transacting any 29 business of the public body, or (ii) at a public forum, candidate appearance, or debate, the purpose of 30 which is to inform the electorate and not to transact public business or to hold discussions relating to the 31 transaction of public business, even though the performance of the members individually or collectively 32 in the conduct of public business may be a topic of discussion or debate at such public meeting, shall be 33 deemed a "meeting" subject to the provisions of this chapter.

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"Open meeting" or "public meeting" means a meeting at which the public may be present.

35 "Public body" means any legislative body, authority, board, bureau, commission, district or 36 agency of the Commonwealth or of any political subdivision of the Commonwealth, including cities, 37 towns and counties, municipal councils, governing bodies of counties, school boards and planning 38 commissions; boards of visitors of public institutions of higher education; and other organizations, 39 corporations or agencies in the Commonwealth supported wholly or principally by public funds. It shall 40 include (i) the Virginia Birth-Related Neurological Injury Compensation Program and its board of 41 directors established pursuant to Chapter 50 (§ 38.2-5000 et seq.) of Title 38.2 and (ii) any committee, 42 subcommittee, or other entity however designated, of the public body created to perform delegated 43 functions of the public body or to advise the public body. It shall not exclude any such committee, 44 subcommittee or entity because it has private sector or citizen members. Corporations organized by the 45 Virginia Retirement System are "public bodies" for purposes of this chapter.

46 For the purposes of the provisions of this chapter applicable to access to public records,
47 constitutional officers and private police departments as defined in § 9.1-101 shall be considered public
48 bodies and, except as otherwise expressly provided by law, shall have the same obligations to disclose
49 public records as other custodians of public records.

50 "Public records" means all writings and recordings that consist of letters, words or numbers, or
51 their equivalent, set down by handwriting, typewriting, printing, photostatting, photography, magnetic
52 impulse, optical or magneto-optical form, mechanical or electronic recording or other form of data

compilation, however stored, and regardless of physical form or characteristics, prepared or owned by,
or in the possession of a public body or its officers, employees or agents in the transaction of public
business. Records that are not prepared for or used in the transaction of public business are not public
records.

57 "Regional public body" means a unit of government organized as provided by law within defined
58 boundaries, as determined by the General Assembly, whose members are appointed by the participating
59 local governing bodies, and such unit includes two or more counties or cities.

60 "Scholastic records" means those records containing information directly related to a student or
61 an applicant for admission and maintained by a public body that is an educational agency or institution
62 or by a person acting for such agency or institution.

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## § 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.

64 The following information contained in a public record is excluded from the mandatory
65 disclosure provisions of this chapter but may be disclosed by the custodian in his discretion, except
66 where such disclosure is prohibited by law. Redaction of information excluded under this section from a
67 public record shall be conducted in accordance with § 2.2-3704.01.

68 <u>1. Confidential information. In order for such information to be excluded from the provisions of</u>
69 this chapter, the submitting entity shall make a written request to the public body (i) invoking such
70 exclusion upon submission of the information for which protection from disclosure is sought, (ii)
71 identifying with specificity the information for which protection is sought, and (iii) stating the reasons
72 why protection is necessary. The public body may determine whether the requested exclusion from
73 disclosure is necessary to protect the commercial or financial information of the submitting entity under
74 this subdivision.

75 1a. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.176 132.4 or 62.1-134.1.

77 2. Financial statements not publicly available filed with applications for industrial development
78 financings in accordance with Chapter 49 (§ 15.2-4900 et seq.) of Title 15.2.

3. Proprietary information, voluntarily provided by private business pursuant to a promise of
confidentiality from a public body, used by the public body for business, trade, and tourism development
or retention; and memoranda, working papers, or other information related to businesses that are
considering locating or expanding in Virginia, prepared by a public body, where competition or
bargaining is involved and where disclosure of such information would adversely affect the financial
interest of the public body.

4. Information that was filed as confidential under the Toxic Substances Information Act (§ 32.1239 et seq.), as such Act existed prior to July 1, 1992.

87 5. Fisheries data that would permit identification of any person or vessel, except when required
88 by court order as specified in § 28.2-204.

6. Confidential financial statements, balance sheets, trade secrets, and revenue and cost
projections provided to the Department of Rail and Public Transportation, provided such information is
exempt under the federal Freedom of Information Act or the federal Interstate Commerce Act or other
laws administered by the Surface Transportation Board or the Federal Railroad Administration with
respect to data provided in confidence to the Surface Transportation Board and the Federal Railroad
Administration.

95 7. Proprietary information related to inventory and sales, voluntarily provided by private energy
 96 suppliers to the Department of Mines, Minerals and Energy, used by that Department for energy
 97 contingency planning purposes or for developing consolidated statistical information on energy supplies.

98 8. Confidential proprietary information furnished to the Board of Medical Assistance Services or
99 the Medicaid Prior Authorization Advisory Committee pursuant to Article 4 (§ 32.1-331.12 et seq.) of
100 Chapter 10 of Title 32.1.

9. Proprietary, commercial or financial information, balance sheets, trade secrets, and revenue
and cost projections provided by a private transportation business to the Virginia Department of
Transportation and the Department of Rail and Public Transportation for the purpose of conducting
transportation studies needed to obtain grants or other financial assistance under the Transportation
Equity Act for the 21st Century (P.L. 105-178) for transportation projects if disclosure of such

106 information is exempt under the federal Freedom of Information Act or the federal Interstate Commerce 107 Act or other laws administered by the Surface Transportation Board or the Federal Railroad 108 Administration with respect to data provided in confidence to the Surface Transportation Board and the 109 Federal Railroad Administration. However, the exclusion provided by this subdivision shall not apply to 110 any wholly owned subsidiary of a public body.

10. Confidential information designated as provided in subsection F of § 2.2-4342 as trade
secrets or proprietary information by any person in connection with a procurement transaction or by any
person who has submitted to a public body an application for prequalification to bid on public
construction projects in accordance with subsection B of § 2.2-4317.

115 11. a. Memoranda, staff evaluations, or other information prepared by the responsible public 116 entity, its staff, outside advisors, or consultants exclusively for the evaluation and negotiation of 117 proposals filed under the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or the Public-118 Private Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.) where (i) if such 119 information was made public prior to or after the execution of an interim or a comprehensive agreement, 120 § 33.2-1820 or 56-575.17 notwithstanding, the financial interest or bargaining position of the public 121 entity would be adversely affected and (ii) the basis for the determination required in clause (i) is 122 documented in writing by the responsible public entity; and

123 b. Information provided by a private entity to a responsible public entity, affected jurisdiction, or 124 affected local jurisdiction pursuant to the provisions of the Public-Private Transportation Act of 1995 (§ 125 33.2-1800 et seq.) or the Public-Private Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 126 et seq.) if disclosure of such information would reveal (i) trade secrets of the private entity as defined in 127 the Uniform Trade Secrets Act (§ 59.1-336 et seq.); (ii) financial information of the private entity, 128 including balance sheets and financial statements, that are not generally available to the public through 129 regulatory disclosure or otherwise; or (iii) other information submitted by the private entity where if 130 such information was made public prior to the execution of an interim agreement or a comprehensive 131 agreement, the financial interest or bargaining position of the public or private entity would be adversely

affected. In order for the information specified in clauses (i), (ii), and (iii) to be excluded from theprovisions of this chapter, the private entity shall make a written request to the responsible public entity:

134 (1) Invoking such exclusion upon submission of the data or other materials for which protection135 from disclosure is sought;

136 (2) Identifying with specificity the data or other materials for which protection is sought; and

**137** (3) Stating the reasons why protection is necessary.

138 The responsible public entity shall determine whether the requested exclusion from disclosure is 139 necessary to protect the trade secrets or financial information of the private entity. To protect other 140 information submitted by the private entity from disclosure, the responsible public entity shall determine 141 whether public disclosure prior to the execution of an interim agreement or a comprehensive agreement 142 would adversely affect the financial interest or bargaining position of the public or private entity. The 143 responsible public entity shall make a written determination of the nature and scope of the protection to 144 be afforded by the responsible public entity under this subdivision. Once a written determination is made 145 by the responsible public entity, the information afforded protection under this subdivision shall 146 continue to be protected from disclosure when in the possession of any affected jurisdiction or affected 147 local jurisdiction.

Except as specifically provided in subdivision 11 a, nothing in this subdivision shall be construed to authorize the withholding of (a) procurement records as required by § 33.2-1820 or 56-575.17; (b) information concerning the terms and conditions of any interim or comprehensive agreement, service contract, lease, partnership, or any agreement of any kind entered into by the responsible public entity and the private entity; (c) information concerning the terms and conditions of any financing arrangement that involves the use of any public funds; or (d) information concerning the performance of any private entity developing or operating a qualifying transportation facility or a qualifying project.

For the purposes of this subdivision, the terms "affected jurisdiction," "affected local jurisdiction," "comprehensive agreement," "interim agreement," "qualifying project," "qualifying transportation facility," "responsible public entity," and "private entity" shall mean the same as those

terms are defined in the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or in the PublicPrivate Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.).

160 12. Confidential proprietary information or trade secrets, not publicly available, provided by a 161 private person or entity pursuant to a promise of confidentiality to the Virginia Resources Authority or 162 to a fund administered in connection with financial assistance rendered or to be rendered by the Virginia 163 Resources Authority where, if such information were made public, the financial interest of the private 164 person or entity would be adversely affected.

165 13. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), or 166 confidential proprietary information that is not generally available to the public through regulatory 167 disclosure or otherwise, provided by a (i) bidder or applicant for a franchise or (ii) franchisee under 168 Chapter 21 (§ 15.2-2100 et seq.) of Title 15.2 to the applicable franchising authority pursuant to a 169 promise of confidentiality from the franchising authority, to the extent the information relates to the 170 bidder's, applicant's, or franchisee's financial capacity or provision of new services, adoption of new 171 technologies or implementation of improvements, where such new services, technologies, or 172 improvements have not been implemented by the franchisee on a nonexperimental scale in the franchise 173 area, and where, if such information were made public, the competitive advantage or financial interests 174 of the franchisee would be adversely affected.

In order for trade secrets or confidential proprietary information to be excluded from the provisions of this chapter, the bidder, applicant, or franchisee shall (a) invoke such exclusion upon submission of the data or other materials for which protection from disclosure is sought, (b) identify the data or other materials for which protection is sought, and (c) state the reason why protection is necessary.

180 No bidder, applicant, or franchisee may invoke the exclusion provided by this subdivision if the
181 bidder, applicant, or franchisee is owned or controlled by a public body or if any representative of the
182 applicable franchising authority serves on the management board or as an officer of the bidder,
183 applicant, or franchisee.

- 184 14. Information of a proprietary nature furnished by a supplier of charitable gaming supplies to 185 the Department of Agriculture and Consumer Services pursuant to subsection E of § 18.2-340.34. 186 15. Information related to Virginia apple producer sales provided to the Virginia State Apple 187 Board pursuant to § 3.2-1215. 188 16. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) of Title 59.1, 189 submitted by CMRS providers as defined in § 56-484.12 to the Wireless Carrier E-911 Cost Recovery 190 Subcommittee created pursuant to § 56-484.15, relating to the provision of wireless E-911 service. 191 17. (Effective until October 1, 2016) Information relating to a grant or loan application, or 192 accompanying a grant or loan application, to the Innovation and Entrepreneurship Investment Authority 193 pursuant to Article 3 (§ 2.2-2233.1 et seq.) of Chapter 22 of Title 2.2 or to the Commonwealth Health 194 Research Board pursuant to Chapter 22 (§ 23-277 et seq.) of Title 23 if disclosure of such information 195 would (i) reveal proprietary business or research-related information produced or collected by the 196 applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, 197 technical, technological, or scholarly issues, when such information has not been publicly released, 198 published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant. 199 17. (Effective October 1, 2016) Information relating to a grant or loan application, or 200 accompanying a grant or loan application, to the Innovation and Entrepreneurship Investment Authority 201 pursuant to Article 3 (§ 2.2-2233.1 et seq.) of Chapter 22 of Title 2.2 or to the Commonwealth Health 202 Research Board pursuant to Chapter 5.3 (§ 32.1-162.23 et seq.) of Title 32.1 if disclosure of such 203 information would (i) reveal proprietary business or research-related information produced or collected 204 by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, 205 technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant. 206
- 207 18. Confidential proprietary information and trade secrets developed and held by a local public
  208 body (i) providing telecommunication services pursuant to § 56-265.4:4 and (ii) providing cable
  209 television services pursuant to Article 1.1 (§ 15.2-2108.2 et seq.) of Chapter 21 of Title 15.2 if
  210 disclosure of such information would be harmful to the competitive position of the locality.

In order for confidential proprietary information or trade secrets to be excluded from the provisions of this chapter, the locality in writing shall (a) invoke the protections of this subdivision, (b) identify with specificity the information for which protection is sought, and (c) state the reasons why protection is necessary. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

216 19. Confidential proprietary information and trade secrets developed by or for a local authority
217 created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) to
218 provide qualifying communications services as authorized by Article 5.1 (§ 56-484.7:1 et seq.) of
219 Chapter 15 of Title 56, where disclosure of such information would be harmful to the competitive
220 position of the authority, except that information required to be maintained in accordance with § 15.22160 shall be released.

222 20. Trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) or financial 223 information of a business, including balance sheets and financial statements, that are not generally 224 available to the public through regulatory disclosure or otherwise, provided to the Department of Small 225 Business and Supplier Diversity as part of an application for certification as a small, women-owned, or 226 minority-owned business in accordance with Chapter 16.1 (§ 2.2-1603 et seq.). In order for such trade 227 secrets or financial information to be excluded from the provisions of this chapter, the business shall (i) 228 invoke such exclusion upon submission of the data or other materials for which protection from 229 disclosure is sought, (ii) identify the data or other materials for which protection is sought, and (iii) state 230 the reasons why protection is necessary.

231 21. Information of a proprietary or confidential nature disclosed by a carrier to the State Health
232 Commissioner pursuant to §§ 32.1-276.5:1 and 32.1-276.7:1.

233 22. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), including,
234 but not limited to, financial information, including balance sheets and financial statements, that are not
235 generally available to the public through regulatory disclosure or otherwise, and revenue and cost
236 projections supplied by a private or nongovernmental entity to the State Inspector General for the

237 purpose of an audit, special investigation, or any study requested by the Office of the State Inspector238 General in accordance with law.

In order for the information specified in this subdivision to be excluded from the provisions of
 this chapter, the private or nongovernmental entity shall make a written request to the State Inspector
 General:

a. Invoking such exclusion upon submission of the data or other materials for which protectionfrom disclosure is sought;

b. Identifying with specificity the data or other materials for which protection is sought; and

c. Stating the reasons why protection is necessary.

The State Inspector General shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or financial information of the private entity. The State Inspector General shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

250 23. Information relating to a grant application, or accompanying a grant application, submitted to 251 the Tobacco Region Revitalization Commission that would (i) reveal (a) trade secrets as defined in the 252 Uniform Trade Secrets Act (§ 59.1-336 et seq.), (b) financial information of a grant applicant that is not 253 a public body, including balance sheets and financial statements, that are not generally available to the 254 public through regulatory disclosure or otherwise, or (c) research-related information produced or 255 collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, 256 scientific, technical, technological, or scholarly issues, when such information has not been publicly 257 released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of the 258 applicant; and memoranda, staff evaluations, or other information prepared by the Commission or its 259 staff exclusively for the evaluation of grant applications. The exclusion provided by this subdivision 260 shall apply to grants that are consistent with the powers of and in furtherance of the performance of the 261 duties of the Commission pursuant to § 3.2-3103.

In order for the information specified in this subdivision to be excluded from the provisions ofthis chapter, the applicant shall make a written request to the Commission:

a. Invoking such exclusion upon submission of the data or other materials for which protectionfrom disclosure is sought;

b. Identifying with specificity the data, information or other materials for which protection issought; and

**268** c. Stating the reasons why protection is necessary.

The Commission shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets, financial information, or research-related information of the applicant. The Commission shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

273 24. a. Information held by the Commercial Space Flight Authority relating to rate structures or
274 charges for the use of projects of, the sale of products of, or services rendered by the Authority if
275 disclosure of such information would adversely affect the financial interest or bargaining position of the
276 Authority or a private entity providing the information to the Authority; or

b. Information provided by a private entity to the Commercial Space Flight Authority if
disclosure of such information would (i) reveal (a) trade secrets of the private entity as defined in the
Uniform Trade Secrets Act (§ 59.1-336 et seq.); (b) financial information of the private entity, including
balance sheets and financial statements, that are not generally available to the public through regulatory
disclosure or otherwise; or (c) other information submitted by the private entity and (ii) adversely affect
the financial interest or bargaining position of the Authority or private entity.

In order for the information specified in clauses (a), (b), and (c) of subdivision 24 b to be
excluded from the provisions of this chapter, the private entity shall make a written request to the
Authority:

(1) Invoking such exclusion upon submission of the data or other materials for which protectionfrom disclosure is sought;

**288** (2) Identifying with specificity the data or other materials for which protection is sought; and

**289** (3) Stating the reasons why protection is necessary.

The Authority shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or financial information of the private entity. To protect other information submitted by the private entity from disclosure, the Authority shall determine whether public disclosure would adversely affect the financial interest or bargaining position of the Authority or private entity. The Authority shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

25. Information of a proprietary nature furnished by an agricultural landowner or operator to the
Department of Conservation and Recreation, the Department of Environmental Quality, the Department
of Agriculture and Consumer Services, or any political subdivision, agency, or board of the
Commonwealth pursuant to §§ 10.1-104.7, 10.1-104.8, and 10.1-104.9, other than when required as part
of a state or federal regulatory enforcement action.

301 26. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), provided to
302 the Department of Environmental Quality pursuant to the provisions of § 10.1-1458. In order for such
303 trade secrets to be excluded from the provisions of this chapter, the submitting party shall (i) invoke this
304 exclusion upon submission of the data or materials for which protection from disclosure is sought, (ii)
305 identify the data or materials for which protection is sought, and (iii) state the reasons why protection is
306 necessary.

307 27. Information of a proprietary nature furnished by a licensed public-use airport to the
 308 Department of Aviation for funding from programs administered by the Department of Aviation or the
 309 Virginia Aviation Board, where if such information was made public, the financial interest of the public 310 use airport would be adversely affected.

In order for the information specified in this subdivision to be excluded from the provisions ofthis chapter, the public-use airport shall make a written request to the Department of Aviation:

a. Invoking such exclusion upon submission of the data or other materials for which protectionfrom disclosure is sought;

b. Identifying with specificity the data or other materials for which protection is sought; andc. Stating the reasons why protection is necessary.

28. (Effective until October 1, 2016) Records submitted as a grant or loan application, or
accompanying a grant or loan application, for an award from the Virginia Research Investment Fund
pursuant to Chapter 28 (§ 23-304 et seq.) of Title 23, to the extent that such records contain proprietary
business or research-related information produced or collected by the applicant in the conduct of or as a
result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly
issues, when such information has not been publicly released, published, copyrighted, or patented, if the
disclosure of such information would be harmful to the competitive position of the applicant.

324 28. (Effective October 1, 2016) Records submitted as a grant or loan application, or 325 accompanying a grant or loan application, for an award from the Virginia Research Investment Fund 326 pursuant to Article 8 (§ 23.1-3130 et seq.) of Chapter 31 of Title 23.1, to the extent that such records 327 contain proprietary business or research-related information produced or collected by the applicant in 328 the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, 329 technological, or scholarly issues, when such information has not been publicly released, published, 330 copyrighted, or patented, if the disclosure of such information would be harmful to the competitive 331 position of the applicant.

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