$\mathbf{B}\mathbf{y}$  the Committee on Commerce and Consumer Services; and Senator Argenziano

577-2146-05

1	A bill to be entitled
2	An act relating to public records and public
3	meetings; creating an exemption from
4	public-records requirements for trade secrets
5	held by an agency; requiring that a written
6	declaration be submitted to the agency
7	verifying that the information is a trade
8	secret; specifying requirements for such
9	declaration; providing for retroactive
10	application of the public-records exemption;
11	creating an exemption from public-meetings
12	requirements for any portion of a meeting at
13	which a trade secret is discussed; providing
14	for future review and repeal under the Open
15	Government Sunset Review Act; providing a
16	statement of public necessity; repealing s.
17	815.045, F.S., relating to trade secret
18	information; providing an effective date.
19	
20	Be It Enacted by the Legislature of the State of Florida:
21	
22	Section 1. (1) A trade secret, as defined in section
23	688.002 or section 812.081, Florida Statutes, held by an
24	agency as defined in section 119.011, Florida Statutes, is
25	confidential and exempt from section 119.07(1), Florida
26	Statutes, and Section 24(a), Article I of the State
27	Constitution if:
28	(a) The proprietor of the trade secret, or the
29	authorized officer, employee, or agent of the proprietor,
30	submits to the agency a written declaration, verified as
31	provided in section 92.525, Florida Statutes, which:

1

CODING: Words stricken are deletions; words underlined are additions.

1	1. Identifies the trade secret;
2	2. Certifies that the identified information is a
3	trade secret as defined in section 688.002 or section 812.081,
4	Florida Statutes;
5	3. Certifies that the identified information derives
6	independent economic value, actual or potential, from not
7	being generally known to, and not being readily ascertainable
8	by proper means by, other persons who can obtain economic
9	value from its disclosure or use;
10	4. Certifies that the identified information is the
11	subject of efforts of the proprietor to maintain its secrecy;
12	and
13	5. Certifies that the identified information is not
14	otherwise readily ascertainable or publicly available from any
15	other source;
16	(b) The identified information is not readily
17	ascertainable or publicly available by proper means by other
18	persons from any other source; and
19	(c) The identified information is not a price or cost
20	that is included in a response to a competitive solicitation
21	submitted to an agency.
22	
23	This exemption applies to all trade secrets held by an agency
24	before, on, or after October 1, 2005, if the requirements of
25	this subsection are met.
26	(2) That portion of a meeting at which a trade secret
27	that is confidential and exempt pursuant to subsection (1) is
28	reviewed or discussed is exempt from section 286.011, Florida
29	Statutes, and Section 24(b), Article I of the State
30	Constitution.
31	

1	(3) This section is subject to the Open Government
2	Sunset Review Act of 1995 in accordance with section 119.15,
3	Florida Statutes, and shall stand repealed on October 2, 2010,
4	unless reviewed and saved from repeal through reenactment by
5	the Legislature.
6	Section 2. The Legislature finds that it is a public
7	necessity that a trade secret, as defined in section 688.002
8	or section 812.081, Florida Statutes, held by an agency as
9	defined in section 119.011, Florida Statutes, be made
10	confidential and exempt from public-records requirements. A
11	trade secret derives independent economic value, actual or
12	potential, from not being generally known to, and not being
13	readily ascertainable by proper means by, other persons who
14	can obtain economic value from its disclosure or use. An
15	agency, in performing its lawful duties and responsibilities,
16	may need to obtain from the proprietor information that is a
17	trade secret. Without an exemption from public-records
18	requirements for a trade secret held by an agency, that trade
19	secret becomes a public record when received by the agency and
20	must be divulged upon request. Divulgence of any trade secret
21	under public-records or public-meetings laws would destroy the
22	value of that property to the proprietor, causing a financial
23	loss not only to the proprietor but also to state or local
24	governments due to loss of tax revenue and employment
25	opportunities for residents. Release of that information would
26	give business competitors an unfair advantage and weaken the
27	position of the proprietor of the trade secret in the
28	marketplace. In addition, without protecting information
29	concerning a trade secret during meetings at which the
30	information is discussed, competitors and other persons may
3 1	attend those meetings and discover the trade secret. Thus, the

1	Legislature finds that it is a public necessity that a trade
2	secret held by an agency be made exempt from public-meetings
3	requirements and confidential and exempt from public-records
4	requirements.
5	Section 3. <u>Section 815.045</u> , Florida Statutes, is
6	repealed.
7	Section 4. This act shall take effect October 1, 2005.
8	
9	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
10	COMMITTEE SUBSTITUTE FOR <u>Senate Bill 1142</u>
11	
12	This committee substitute differs from the bill as filed in
13	that it provides that a price or cost that is included in a response to a competitive solicitation that is submitted to an
14	agency is not a trade secret that is confidential and exempt from disclosure. This committee substitute also provides that
as long as the requirements for a trade secret exemption is applicable to all trade secrets h	met, the exemption is applicable to all trade secrets held by
16	an agency before, on, or after October 1, 2005.
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	