By the Committee on Commerce and Tourism; and Senator Gruters

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A bill to be entitled

An act relating to public records; creating s. 688.01, F.S.; providing definitions; providing an exemption from public records requirements for trade secrets held by an agency; providing notice requirements for trade secrets submitted to an agency; providing an exception to the exemption; providing that an agency employee is not liable for the release of records in compliance with the act; providing applicability; providing for future legislative review and repeal of the exemption; amending ss. 688.001 and 688.006, F.S.; conforming cross-references; providing a statement of public necessity; providing a contingent effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 688.01, Florida Statutes, is created to read:

688.01 Trade secret exemption from inspecting or copying public records.—

(1) DEFINITIONS.—As used in this section, the term:

(a) "Agency" has the same meaning as in s. 119.011.

(b) "Trade secret" has the same meaning as in s. 688.002, except that the term does not include any of the following information related to any contract or agreement, or any addendum thereto, with an agency:

1. The parties to the contract or agreement, or an addendum thereto.

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2. The amount of money paid, any payment structure or plan, expenditures, incentives, bonuses, fees, or penalties.

- 3. The nature or type of commodities or services purchased.
- 4. Applicable contract unit prices and deliverables.
- (2) PUBLIC RECORDS EXEMPTION.—A trade secret held by an agency is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.
  - (3) SUBMISSION OF TRADE SECRET TO AN AGENCY.-
- (a) If a person who submits records to an agency claims that the submission contains a trade secret, the person shall submit to the agency a notice of trade secret when the records are submitted to the agency. Failure to submit such notice constitutes a waiver of any claim by such person that the records contain a trade secret. The notice must provide the name, telephone number, and mailing address of the person claiming the records contain a trade secret. The person is responsible for updating his or her contact information with the agency.
- (b) Each page of a record and specific portion of a record that contains a trade secret must be clearly marked with the words "trade secret."
- (c) In submitting a notice of trade secret to the agency, the submitting party shall verify to the agency through a written declaration in the manner provided in s. 92.525 the following:

...(I have/my company has)... read the definition of a trade secret in section 688.01, Florida Statutes, and ...(I believe/my company believes)... the information contained in

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this record is a trade secret as defined in section 688.01, Florida Statutes.

...(I have/my company has)... taken measures to prevent the disclosure of the record or specific portion of a record claimed to be a trade secret to anyone other than those who have been selected to have access for limited purposes, and ...(I intend/my company intends)... to continue to take such measures.

The record or specific portion of a record claimed to be a trade secret is not, and has not been, reasonably obtainable by other persons through legitimate means without ... (my/our)... consent.

The record or specific portion of a record claimed to be a trade secret is not publicly available elsewhere.

- (4) AGENCY ACCESS.—An agency may disclose a trade secret, together with the notice of trade secret, to an officer or employee of another agency or governmental entity whose use of the trade secret is within the scope of his or her lawful duties and responsibilities.
- (5) LIABILITY.—An agency employee who, while acting in good faith and in the performance of his or her duties, releases a record containing a trade secret pursuant to this act is not liable, civilly or criminally, for such release.
- (6) APPLICABILITY.—This section does not apply to research institutes created or established in law, divisions of sponsored research at state universities, or technology transfer centers at Florida College System institutions.
- (7) OPEN GOVERNMENT SUNSET REVIEW.—This section is subject to the Open Government Sunset Review Act in accordance with s.

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119.15 and shall stand repealed on October 2, 2024, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 2. Section 688.001, Florida Statutes, is amended to read:

688.001 Short title.—Sections 688.001-688.01 Sections
688.001-688.009 may be cited as the "Uniform Trade Secrets Act."
Section 3. Section 688.006, Florida Statutes, is amended to read:

688.006 Preservation of secrecy.—In an action under <u>ss.</u>
688.001-688.01 <u>ss. 688.001-688.009</u>, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.

Section 4. The Legislature finds that it is a public necessity that trade secrets held by an agency be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution. The Legislature recognizes that an agency may create trade secret information in furtherance of the agency's duties and responsibilities and that disclosure of such information would be detrimental to the effective and efficient operation of the agency. If such trade secret information were made available to the public, the agency could suffer great economic harm. In addition, the Legislature recognizes that in many instances, individuals and businesses provide trade secret information for regulatory or other

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purposes to an agency and that disclosure of such information to competitors of those businesses would be detrimental to the

businesses. Without the public records exemption, those entities

would hesitate to cooperate with an agency, which would impair

the effective and efficient administration of governmental

functions. As such, the Legislature's intent is to protect trade

123 secret information of a confidential nature which includes a

formula, pattern, compilation, program, device, method,

technique, or process used from which the owner derives

independent economic value, actual or potential, from the

information not being generally known to, and not being readily

ascertainable by proper means by, other persons who can obtain

economic value from its disclosure or use. Therefore, the

130 Legislature finds that the need to protect trade secrets is

sufficiently compelling to override this state's public policy

of open government and that the protection of such information

cannot be accomplished without this exemption.

Section 5. This act shall take effect on the same date that SB 1416 or similar legislation takes effect, if such legislation is adopted in the same legislative session or an extension thereof and becomes a law.