

LEGISLATIVE ACTION

Senate House

Comm: RCS 04/05/2011

The Committee on Commerce and Tourism (Gaetz) recommended the following:

Senate Substitute for Amendment (138788) (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 332.16, Florida Statutes, is created to read:

332.16 Public-record exemptions.

- (1) DEFINITIONS.—As used in this section, the term:
- (a) "Airport facilities" means airports, buildings, structures, terminal buildings, parking garages and lots,

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hangars, land, warehouses, shops, hotels, other aviation facilities of any kind or nature, or any other facility of any kind or nature related to or connected with a public airport and other aviation facility that a public airport is authorized by law to construct, acquire, own, lease, or operate, together with all fixtures, equipment, and property, real or personal, tangible or intangible, necessary, appurtenant, or incidental thereto.

- (b) "Governing body" means the board or body in which the general legislative powers of a public airport is vested.
- (c) "Proprietor" means a self-employed individual, proprietorship, corporation, partnership, limited partnership, firm, enterprise, franchise, association, trust, or business entity, whether fictitiously named or not, authorized to do or doing business in this state, including its respective authorized officer, employee, agent, or successor in interest, which controls or owns the proprietary confidential business information provided to a public airport.
- (d) "Proprietary confidential business information" means information that is owned or controlled by the proprietor requesting confidentiality under this section; that is intended to be and is treated by the proprietor as private in that the disclosure of the information would cause harm to the business operations of the proprietor; that has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or a private agreement providing that the information may be released to the public; and that is information concerning:
 - 1. Business plans.

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- 2. Internal auditing controls and reports of internal auditors.
- 3. Reports of external auditors for privately held companies.
 - 4. Client and customer lists.
 - 5. Potentially patentable material.
- 6. Business transactions; however, business transactions do not include those transactions between a proprietor and a public airport.
 - 7. Financial information of the proprietor.
- (e) "Public airport" has the same meaning as provided in s. 330.27 and includes areas defined in s. 332.01(3).
 - (f) "Trade secrets" has the same meaning as in s. 688.002.
- (2) PROPRIETARY CONFIDENTIAL BUSINESS INFORMATION. -Proprietary confidential business information held by a public airport is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution, until such information is otherwise publicly available or is no longer treated by the proprietor as proprietary confidential business information.
- (3) TRADE SECRETS.—Trade secrets held by a public airport are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.
- (4) SALE, USE, DEVELOPMENT, OR LEASE OF AIRPORT FACILITIES.—Any proposal or counterproposal exchanged between a public airport and a nongovernmental entity relating to the sale, use, development, or lease of airport facilities is exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. However, any such proposal or counterproposal shall cease to be exempt upon approval by the governing body of

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a public airport. If no proposal or counterproposal is submitted to the governing body for approval, such proposal or counterproposal shall cease to be exempt 90 days after the cessation of negotiations between the public airport and the nongovernmental entity.

(5) LEGISLATIVE REVIEW.—This section is subject to the Open Government Sunset Review Act in accordance with s. 119.15, and shall stand repealed on October 2, 2016, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 2. (1) The Legislature finds that it is a public necessity that trade secrets and proprietary confidential business information, including business plans, internal auditing controls and reports of internal auditors, reports of external auditors for privately held companies, client and customer lists, potentially patentable material, certain business transactions, and financial information of the proprietor be made confidential and exempt from s. 119.07(1), Florida Statutes, and s. 24(a), Article I of the State Constitution. Trade secrets and proprietary confidential business information derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by, other persons who could obtain economic value from its disclosure or use. An airport, in performing its lawful duties and responsibilities, may need to obtain from a proprietor trade secrets or proprietary confidential business information. Without an exemption from public-records requirements, trade secrets and proprietary confidential business information held by an airport become a public record and must be divulged upon request. Divulging the

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trade secret or proprietary confidential business information would destroy the value of that property to the proprietor, causing a financial loss not only to the proprietor, but also to the airport and to the state and local governments due to a loss of tax revenue and employment opportunities for residents. Release of that information would give business competitors an unfair advantage and would injure the affected entity in the marketplace. Thus, the Legislature finds that it is a public necessity that trade secrets and proprietary confidential business information held by a public airport be made confidential and exempt from public-records requirements. (2) The Legislature also finds that it is a public necessity that any proposal or counterproposal exchanged between

a nongovernmental entity and any public airport listed in s. 330.27, Florida Statutes, which includes areas defined in s. 332.01(3), Florida Statutes, relating to the sale, use, or lease of land or airport facilities, be made exempt from publicrecords requirements until approved by the governing body of the airport. Proposals and counterproposals submitted to an airport contain sensitive and confidential business and financial information. Competing entities can gain access to such proposals, and, in some instances, the affected nongovernmental entity has abandoned its contractual efforts with the airport, to the airport's financial detriment. Confidential business and financial records submitted to an airport for purposes of the sale, use, or lease of land or of airport facilities contain sensitive information, the release of which would give competitors an unfair economic advantage. Finally, such exemption is necessary in order for Florida airports to more



effectively and efficiently negotiate contracts for the sale, use, or lease of airport facilities.

Section 3. This act shall take effect July 1, 2011.

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======= T I T L E A M E N D M E N T =========

134 And the title is amended as follows:

> Delete everything before the enacting clause and insert:

> > A bill to be entitled

An act relating to public records; creating s. 332.16, F.S.; providing definitions; providing an exemption from public-records requirements for proprietary confidential business information and trade secrets held by a public airport and for any proposal or counterproposal exchanged between a public airport and a nongovernmental entity relating to the sale, use, development, or lease of airport facilities; providing for expiration of the exemptions; providing for future legislative review and repeal of the exemptions under the Open Government Sunset Review Act; providing a finding of public necessity; providing an effective date.