

HOUSE BILL REPORT

SSB 5951

As Reported by House Committee On:
State Government Operations & Accountability

Title: An act relating to exempting a horse racing license from public inspection.

Brief Description: Affording certain information held by the horse racing commission the same protection from public inspection as other regulated entities.

Sponsors: Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Rasmussen, Hewitt and Kohl-Welles).

Brief History:

Committee Activity:

State Government Operations & Accountability: 3/30/05 [DPA].

**Brief Summary of Substitute Bill
(As Amended by House Committee)**

- Exempts from public disclosure the applications for horse racing licenses submitted by a third-party vendor of advanced deposit wagering services.

HOUSE COMMITTEE ON STATE GOVERNMENT OPERATIONS & ACCOUNTABILITY

Majority Report: Do pass as amended. Signed by 9 members: Representatives Haigh, Chair; Green, Vice Chair; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt, McDermott, Miloscia, Schindler and Sump.

Staff: Hannah Lidman (786-7291) and Marsha Reilly (786-7135).

Background:

Each state and local agency is required to make all public records available for public inspection and copying unless the record is exempted from disclosure. The Legislature has enacted a number of exemptions preventing disclosure of financial information contained in the applications for state licensing, including applications for gambling licenses.

Horse racing is not defined as gambling under the state's gambling law. As a result, the Attorney General's Office has indicated that horse racing licenses are not covered under this exemption.

These exemptions do not apply when information that would violate personal privacy or vital government interests can be deleted or redacted from the record.

The Washington State Horse Racing Commission (Commission) issues licenses for which applications containing financial information are required. The three types of licenses issued by the Commission are:

- racetrack licenses, including three classes of licenses for owned, leased, and nonprofit tracks;
- individual licenses for owners, trainers, jockeys, and attendants; and
- advance deposit wagering service provider licenses.

Advanced deposit wagering allows participants to pay for parimutuel wagers by telephone or other electronic means. Under an advanced deposit wagering system, an entity contracts with the racing association to provide communication services, and operates as a third party intermediary between the person placing the parimutuel wager and the organization conducting the horse racing meet. The licensing process requires applicants to be licensed to provide certain information, which can include information relating to terms and conditions negotiated between the applicant and the organization conducting horse racing meets.

Summary of Amended Bill:

Certain financial information related to an application for a horse racing license submitted by a third-party vendor of advanced deposit wagering services is exempt from public disclosure.

Amended Bill Compared to Substitute Bill:

The public disclosure exemption is limited only to the financial information contained in an application submitted by a third-party vendor of advanced deposit wagering services.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: The goal of the legislation is still accomplished with the amendment. The amendment does not provide the same level of public disclosure exemption but adheres to the spirit of the requested legislation.

Testimony Against: None.

Persons Testifying: Jim Halstrom, Emerald Downs and Northwest Racing Associates; and Bob Leichner, Washington Horse Racing Commission.

Persons Signed In To Testify But Not Testifying: None.