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**State Government & Tribal  
Affairs Committee**

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**HB 1449**

**Brief Description:** Regarding nondisclosure of certain information of gambling commission licensees.

**Sponsors:** Representatives Condotta, Armstrong, Curtis, Orcutt and Dunn.

**Brief Summary of Bill**

- Exempts from disclosure independent auditors' reports and financial statements filed with the Washington State Gambling Commission (Commission) unless the person who is the subject of the audit consents to the release.
- Requires that the Commission notify the person who is the subject of the audit if a request is made for independent auditors' reports and financial statements.

**Hearing Date:** 2/2/07

**Staff:** Alison Hellberg (786-7152).

**Background:**

Gambling Commission

Under the Washington Gambling Act of 1973, the Commission has exclusive authority to license and regulate gambling activities, including house-banked card games. The Commission issues licenses for a one-year period. Those licensed to operate house-banked card games must prepare financial statements covering all financial activities of the establishment for each business year. The license application form and all supplemental information submitted at the Commission's request are considered public records.

The financial statements must be:

- prepared by an independent, certified public accountant who is licensed by the state of Washington; and

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- submitted on a comparative basis (except that the first year may be submitted for the current business year only).

Gross revenues from each licensed activity should be reported by activity and separated from all other revenues.

#### Public Records Act

The Public Records Act requires that all state and local government agencies make all public records available for public inspection and copying unless they fall within certain statutory exemptions. The provisions requiring public records disclosure must be interpreted liberally and the exemptions narrowly in order to effectuate a general policy favoring disclosure.

Agencies may provide notice to a person who is named in a public record or to whom the record specifically pertains that release of a record has been requested.

#### **Summary of Bill:**

Independent auditors' reports and financial statements of licensees required by the Washington State Gambling Commission (Commission) are exempted from disclosure under the Public Records Act.

The Commission must notify the person who is the subject of the audit if such a request is received. The Commission may only release the records if the person consents.

These provisions apply retroactively.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and sections 1 and 5 take effect immediately. Section 2 of this act takes effect June 30, 2008..