
**State Government & Tribal
Affairs Committee**

SB 5927

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

Sponsors: Senator Delvin.

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: 3/28/07

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. The Commission issues licenses for a one-year period. Certain licensees 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;
- Submitted on a comparative basis (except that the first year may be submitted for the current business year only); and

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- 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 public records available for disclosure 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, but are not required to, provide notice to a person who is named in a public record or to whom the record specifically pertains that release of that record has been requested.

Summary of Bill:

Independent auditors' reports and financial statements of licensees required by the 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.

Section 1 applies retroactively.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed, except section 2, relating to financial, commercial, and proprietary information exemptions to the Public Records Act, which takes effect June 30, 2008.