

SENATE BILL REPORT

SHB 2071

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, March 31, 2005

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: House Committee on State Government Operations & Accountability (originally sponsored by Representatives Cody, P. Sullivan, Kenney and Dunn).

Brief History: Passed House: 3/09/05, 96-0.

Committee Activity: Labor, Commerce, Research & Development: 3/29/05, 3/31/05 [DPA].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass as amended.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Brown, Hewitt, Honeyford, Keiser and Prentice.

Staff: John Dziedzic (786-7784)

Background: 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.

Chapter 274, Laws of 2004 (ESSB 6481) authorized the Horse Racing Commission to adopt rules relating to advance deposit wagering, including the licensing of one or more third party intermediaries. The licensing process requires applicants to be licensed in this capacity to provide certain information, which include information relating to terms and conditions negotiated between the applicant and organization conducting horse racing meets.

The Public Disclosure Act, Chapter 42.17 RCW, requires that most information held by a public agency be open to public inspection. There are 58 narrowly construed types of records that are exempt from this requirement.

Summary of Amended Bill: Financial information relating to an application to be licensed by the Horse Racing Commission as a third party Advanced Deposit Wager service provider is exempted from public inspection, in the same manner as is information submitted with an application for a liquor license, gambling license, or lottery retail license.

Amended Bill Compared to Original Bill: The exemption in the substitute bill applied to applications for any license issued by the Horse Racing Commission. The amended bill

narrows the exemption applies only to applications submitted to the Horse Racing Commission for licensing as a third party Advanced Deposit Wager service provider.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Testimony For: An application for licensing as an Advanced Deposit Wager service provider by the Horse Racing Commission contains significant proprietary financial information. To reduce the possibility of negatively affecting the revenue paid to accounts administered by the Commission, this information should be treated the same as similarly confidential information submitted to the Gambling Commission, the Liquor Control Board and the Lottery Commission. The exemption from public disclosure should extend only to applications submitted under RCW 67.16.260(1)(b), and not to applications for other licenses within the Commission's authority.

Testimony Against: None.

Who Testified: Ron Crockett, Jim Halstrom, Northwest Racing Assn. (Emerald Downs); Bob Leichner, WA Horse Racing Commission; Rowland Thompson, Allied Daily Newspapers.