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SENATE BILL 6562

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State of Washington                      55th Legislature                      1998 Regular Session

By Senators Schow, Heavey, Rasmussen and Anderson

Read first time 01/21/98. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to relief for the equine industry by amending the  
2 parimutuel tax on horse racing to provide additional support for  
3 licensed racing associations, the state fair account, the state trade  
4 fair account, and the Washington horse racing commission; amending RCW  
5 67.16.100, 67.16.105, and 67.16.170; adding a new section to chapter  
6 15.76 RCW; adding a new section to chapter 43.31 RCW; making  
7 appropriations; and declaring an emergency.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9            NEW SECTION.    **Sec. 1.** A new section is added to chapter 15.76 RCW  
10 to read as follows:

11            The state fair account is created in the custody of the state  
12 treasury. All moneys received by the department of agriculture for the  
13 purposes of this fund shall be deposited into the fund. Expenditures  
14 from the fund may be used only for assisting fairs in the manner  
15 provided in chapter 15.76 RCW. Only the director of agriculture or the  
16 director's designee may authorize expenditures from the fund. The fund  
17 is subject to allotment procedures under chapter 43.88 RCW, but no  
18 appropriation is required for expenditures.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 43.31 RCW  
2 to read as follows:

3        The state trade fair account is created in the custody of the state  
4 treasury. All moneys received by the department of community, trade,  
5 and economic development for the purposes of this fund shall be  
6 deposited into the fund. Expenditures from the fund may be used only  
7 for the purpose of assisting state trade fairs. Only the director of  
8 community, trade, and economic development or the director's designee  
9 may authorize expenditures from the fund. The fund is subject to  
10 allotment procedures under chapter 43.88 RCW, but no appropriation is  
11 required for expenditures.

12        **Sec. 3.**    RCW 67.16.100 and 1995 c 399 s 166 are each amended to  
13 read as follows:

14        (1) All sums paid to the commission under this chapter, including  
15 those sums collected for license fees and excluding those sums  
16 collected under RCW 67.16.102(~~(7)~~) and 67.16.105(3)(~~(7) and~~  
17 ~~67.16.105(4)7~~)) shall be (~~(disposed of by the commission as follows:~~

18        ~~(a) Fifty percent thereof shall be~~) retained by the commission for  
19 the payment of the salaries of its members, secretary, clerical,  
20 office, and other help and all expenses incurred in carrying out the  
21 provisions of this chapter. (~~(No salary, wages, expenses, or~~  
22 ~~compensation of any kind shall be paid by the state in connection with~~  
23 ~~the work of the commission.~~

24        ~~(b) One percent shall, on the next business day following the~~  
25 ~~receipt thereof, be paid to the state treasurer to be deposited in the~~  
26 ~~general fund.~~

27        ~~(c) Three percent shall, on the next business day following the~~  
28 ~~receipt thereof, be paid to the state treasurer, who is hereby made ex~~  
29 ~~officio treasurer of a fund to be known as the "state trade fair fund"~~  
30 ~~which shall be maintained as a separate and independent fund, and made~~  
31 ~~available to the director of community, trade, and economic development~~  
32 ~~for the sole purpose of assisting state trade fairs.~~

33        ~~(d) Forty six percent shall be paid to the state treasurer, who is~~  
34 ~~hereby made ex officio treasurer of a fund to be known as the "fair~~  
35 ~~fund," which shall be maintained as a separate and independent fund~~  
36 ~~outside of the state treasury, and made available to the director of~~  
37 ~~agriculture for the sole purpose of assisting fairs in the manner~~  
38 ~~provided in Title 15 RCW.)~~)

1 (2) Any moneys collected or paid to the commission under the terms  
2 of this chapter and not expended at the close of the fiscal biennium  
3 shall be paid to the state treasurer and be placed in the general fund.  
4 The commission may, with the approval of the office of financial  
5 management, retain any sum required for working capital.

6 **Sec. 4.** RCW 67.16.105 and 1997 c 87 s 3 are each amended to read  
7 as follows:

8 (1) Licensees of race meets that are nonprofit in nature(~~(7)~~) and  
9 are of ten days or less(~~(, and have an average daily handle of one~~  
10 ~~hundred twenty thousand dollars or less)~~) shall (~~(withhold and pay to~~  
11 ~~the commission daily for each authorized day of racing one half percent~~  
12 ~~of)~~) be exempt from payment of a tax to the commission based upon the  
13 daily gross receipts (~~(from all)~~) of its parimutuel machines at each  
14 race meet.

15 (2) Licensees that do not fall under subsection (1) of this section  
16 shall withhold and pay to the commission daily for each authorized day  
17 of parimutuel wagering the following applicable percentage of all daily  
18 gross receipts from its in-state parimutuel machines:

19 (a) If the daily gross receipts of all its in-state parimutuel  
20 machines are more than (~~two hundred fifty thousand~~) fifty million  
21 dollars in the previous calendar year, the licensee shall withhold and  
22 pay to the commission daily (~~two and one half~~) one percent of the  
23 daily gross receipts; and

24 (b) If the daily gross receipts of all its in-state parimutuel  
25 machines are (~~two hundred fifty thousand~~) fifty million dollars or  
26 less in the previous calendar year, the licensee shall withhold and pay  
27 to the commission daily (~~one~~) one-tenth of one percent of the daily  
28 gross receipts.

29 (3) In addition to those amounts in subsection(~~s (1) and~~) (2) of  
30 this section, a licensee shall forward one-tenth of one percent of the  
31 daily gross receipts of all its in-state parimutuel machines to the  
32 commission for payment to those nonprofit race meets as set forth in  
33 RCW 67.16.130 and subsection (1) of this section, but said percentage  
34 shall not be charged against the licensee. Payments to nonprofit race  
35 meets under this subsection shall be distributed on a pro rata per-  
36 race-day basis and used only for purses at race tracks that have been  
37 operating under RCW 67.16.130 and subsection (1) of this section for  
38 the five consecutive years immediately preceding the year of payment.

1       **Sec. 5.** RCW 67.16.170 and 1991 c 270 s 8 are each amended to read  
2 as follows:

3       (1) Licensees of race meets that are nonprofit in nature(~~((7))~~) and  
4 are of ten days or less(~~((, and have an average daily handle of one~~  
5 ~~hundred twenty thousand dollars or less))~~) may retain daily for each  
6 authorized day of racing (~~((fourteen and one-half))~~) fifteen percent of  
7 daily gross receipts of all parimutuel machines at each race meet.

8       (2) Licensees of race meets that do not fall under subsection (1)  
9 of this section may retain daily for each authorized day of (~~((racing))~~)  
10 parimutuel wagering the following percentages from the daily gross  
11 receipts of all its in-state parimutuel machines (~~((at each race meet))~~):

12       (a) If the daily gross receipts of all its in-state parimutuel  
13 machines are more than (~~((two hundred fifty thousand))~~) fifty million  
14 dollars in the previous calendar year, the licensee may retain daily  
15 (~~((twelve and one-half))~~) fourteen percent of the daily gross receipts;  
16 and

17       (b) If the daily gross receipts of all its in-state parimutuel  
18 machines are (~~((two hundred fifty thousand))~~) fifty million dollars or  
19 less in the previous calendar year, the licensee may retain daily  
20 fourteen and nine-tenths percent of the daily gross receipts.

21       NEW SECTION.   **Sec. 6.** The sum of two million eight hundred  
22 thousand dollars, or as much thereof as may be necessary, is  
23 appropriated for the fiscal year ending June 30, 1999, from the general  
24 fund to the state fair account solely for the purposes of chapter 15.76  
25 RCW and section 1 of this act.

26       NEW SECTION.   **Sec. 7.** The sum of one hundred eighty thousand  
27 dollars, or as much thereof as may be necessary, is appropriated for  
28 the fiscal year ending June 30, 1999, from the general fund to the  
29 state trade fair account solely for the purposes of RCW 43.31.830 and  
30 section 2 of this act.

31       NEW SECTION.   **Sec. 8.** The sum of nine hundred thousand dollars, or  
32 as much thereof as may be necessary, is appropriated for the fiscal  
33 year ending June 30, 1999, from the general fund to the Washington  
34 horse racing commission solely for the purposes of chapter 67.16 RCW  
35 and section 3 of this act.

1        NEW SECTION.    **Sec. 9.**    If any provision of this act or its  
2 application to any person or circumstance is held invalid, the  
3 remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

5        NEW SECTION.    **Sec. 10.**    This act is necessary for the immediate  
6 preservation of the public peace, health, or safety, or support of the  
7 state government and its existing public institutions, and takes effect  
8 immediately.

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