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**SUBSTITUTE HOUSE BILL 1247**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** House Committee on Commerce & Labor (originally sponsored by Representatives L. Thomas, Lisk, G. Fisher, Robertson, Casada, Basich, Clements, Ebersole, Horn, Boldt, Mason, B. Thomas, Cairnes, Radcliff, Foreman, Cooke, Chandler, Mielke, Dyer, Mitchell, Schoesler, Skinner, Appelwick, Sheldon, Costa and Morris)

Read first time 02/09/95.

1 AN ACT Relating to Washington thoroughbred racing; amending RCW  
2 67.16.105; creating new sections; and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** It is the intent of the legislature that  
5 one-half of the money being paid into the Washington thoroughbred  
6 racing fund continue to be directed to enhanced purses, and that one-  
7 half of the money being paid into the fund continue to be deposited  
8 into an escrow or trust account and used for the construction of a new  
9 thoroughbred racing facility in western Washington.

10 **Sec. 2.** RCW 67.16.105 and 1994 c 159 s 2 are each amended to read  
11 as follows:

12 (1) Licensees of race meets that are nonprofit in nature, are of  
13 ten days or less, and have an average daily handle of one hundred  
14 twenty thousand dollars or less shall withhold and pay to the  
15 commission daily for each authorized day of racing one-half percent of  
16 the daily gross receipts from all parimutuel machines at each race  
17 meet.

1 (2) Licensees of race meets that do not fall under subsection (1)  
2 of this section shall withhold and pay to the commission daily for each  
3 authorized day of racing the following applicable percentage of all  
4 daily gross receipts from all parimutuel machines at each race meet:

5 (a) If the daily gross receipts of all parimutuel machines are more  
6 than two hundred fifty thousand dollars, the licensee shall withhold  
7 and pay to the commission daily two and one-half percent of the daily  
8 gross receipts; and

9 (b) If the daily gross receipts of all parimutuel machines are two  
10 hundred fifty thousand dollars or less, the licensee shall withhold and  
11 pay to the commission daily one percent of the daily gross receipts.

12 (3) In addition to those amounts in subsections (1) and (2) of this  
13 section, all licensees shall forward one-tenth of one percent of the  
14 daily gross receipts of all parimutuel machines to the commission daily  
15 for payment to those nonprofit race meets as set forth in RCW 67.16.130  
16 and subsection (1) of this section, but said percentage shall not be  
17 charged against the licensees. The total of such payments shall not  
18 exceed one hundred fifty thousand dollars in any one year and any  
19 amount in excess of one hundred fifty thousand dollars shall be  
20 remitted to the general fund. Payments to nonprofit race meets under  
21 this subsection shall be distributed on a pro rata per-race-day basis  
22 and used only for purses at race tracks that have been operating under  
23 RCW 67.16.130 and subsection (1) of this section for the five  
24 consecutive years immediately preceding the year of payment.

25 (4) In addition to those sums paid to the commission in subsection  
26 (2) of this section, licensees who are nonprofit corporations and have  
27 race meets of thirty days or more shall retain and dedicate: (a) An  
28 amount equal to one and one-quarter percent of the daily gross receipts  
29 of all parimutuel machines at each race meet to be used solely for the  
30 purpose of increasing purses; and (b) an amount equal to one and one-  
31 quarter percent of the daily gross receipts of all parimutuel machines  
32 at each race meet to be deposited in an escrow or trust account and  
33 used solely for construction of a new thoroughbred race track facility  
34 in western Washington. Said percentages shall come from that amount  
35 the licensee is authorized to retain under RCW 67.16.170(2). The  
36 commission shall adopt such rules as may be necessary to enforce this  
37 subsection. (~~The provisions of this subsection shall apply through~~  
38 ~~June 1, 1995.~~)

1 (5) In the event the new race track is not constructed before  
2 January 1, 2001, all funds including interest, remaining in the escrow  
3 or trust account established in subsection (4) of this section, shall  
4 revert to the state general fund.

5 ~~((6) Effective June 1, 1995, licensees who are nonprofit  
6 corporations and have race meets of thirty days or more shall withhold  
7 and pay to the commission daily for each authorized day of racing an  
8 amount equal to two and one half percent of the daily gross receipts of  
9 all parimutuel machines at each race meet. These percentages shall  
10 come from the amount that the licensee is authorized to retain under  
11 RCW 67.16.170(2) and shall be in addition to those sums paid to the  
12 commission in subsection (2) of this section. The commission shall  
13 deposit these moneys in the Washington thoroughbred racing fund created  
14 in RCW 67.16.250.))~~

15 NEW SECTION. **Sec. 3.** On the effective date of this act, all funds  
16 in the Washington thoroughbred racing fund are appropriated to the  
17 Washington state horse racing commission. Expenditure of these funds  
18 may be made only after approval of the Washington state horse racing  
19 commission with the advice of the attorney general. Expenditures from  
20 the account may be used only to benefit and support interim  
21 continuation of thoroughbred racing, capital construction of a new race  
22 track facility, and programs enhancing the general welfare, safety, and  
23 advancement of the Washington thoroughbred racing industry.

24 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
25 preservation of the public peace, health, or safety, or support of the  
26 state government and its existing public institutions, and shall take  
27 effect immediately.

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