

Commerce & Labor Committee

HB 2040

Brief Description: *Changing from five years to fifteen years the time that certain amounts are awarded to owners and breeders.*

Sponsors: *Representatives Cody, Clements, Wood, Lisk, Cairnes, Roach, Hurst and Quall.*

Brief Summary of Bill

- *The distribution of moneys from the owners' fund and the breeders' fund to race track owners is authorized for an additional 10 years.*

Hearing Date: *2/26/01*

Staff: *Sydney Forrester (786-7120).*

Background:

For-profit racing associations licensed by the Washington Horse Racing Commission are required to withhold certain percentages of their parimutuel gross wagers for the purpose of distribution to specific funds. The owners' fund and breeders' fund are the subjects of the proposed legislation.

The Owners' Fund: Racing associations forward 1 percent of their gross parimutuel wagers to the commission for deposit into the owners' fund. The commission distributes one-half of this 1 percent to the owners of Washington-bred horses finishing first, second, third, or fourth in meet races. The second half of this 1 percent is distributed to the race track owners.

The Breeders' Fund: Racing associations withhold 1 percent of their total exotic wagers (multiple wagers). At the end of the racing season 75 percent of this amount is forwarded to the breeders' fund for distribution to owners of Washington-bred first-place finishers. The remaining 25 percent is retained by track owners.

In 1991 the Legislature authorized these distributions from the owners' fund and the

breeders' fund to race track owners for a period of five years. At the time there was no race track in western Washington; the purpose was to provide an incentive for track development by creating a means of defraying construction costs. The five-year period ends June 2001.

Summary of Bill:

The distribution of moneys from the owners' fund and the breeders' fund to race track owners is authorized for an additional 10 years.

Rules Authority: *The bill does not contain provisions addressing the rule-making powers of an agency.*

Appropriation: *None.*

Fiscal Note: *Not requested.*

Effective Date: *Ninety days after adjournment of session in which bill is passed.*