
SUBSTITUTE SENATE BILL 5155

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Labor, Commerce & Financial Institutions
(originally sponsored by Senators West, Prentice, Gardner, Winsley,
Rasmussen and Kohl-Welles; by request of Horse Racing Commission)

READ FIRST TIME 02/26/01.

1 AN ACT Relating to the live horse racing compact; and adding a new
2 chapter to Title 67 RCW.

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

4 NEW SECTION. **Sec. 1.** The purposes of the live horse racing
5 compact are to:

6 (1) Establish uniform requirements among the party states for the
7 licensing of participants in live horse racing with pari-mutuel
8 wagering, and ensure that all such participants who are licensed
9 pursuant to the compact meet a uniform minimum standard of honesty and
10 integrity;

11 (2) Facilitate the growth of the horse racing industry in each
12 party state and nation-wide by simplifying the process for licensing
13 participants in live racing, and reduce the duplicative and costly
14 process of separate licensing by the regulatory agency in each state
15 that conducts live horse racing with pari-mutuel wagering;

16 (3) Authorize the Washington horse racing commission to participate
17 in the live horse racing compact;

18 (4) Provide for participation in the live horse racing compact by
19 officials of the party states, and permit those officials, through the

1 compact committee established by this chapter, to enter into contracts
2 with governmental agencies and nongovernmental persons to carry out the
3 purposes of the live horse racing compact; and

4 (5) Establish the compact committee created by this chapter as an
5 interstate governmental entity duly authorized to request and receive
6 criminal history record information from the federal bureau of
7 investigation and other state and local law enforcement agencies.

8 NEW SECTION. **Sec. 2.** Unless the context clearly requires
9 otherwise, the definitions in this section apply throughout this
10 chapter.

11 (1) "Compact committee" means the organization of officials from
12 the party states that is authorized and empowered by the live horse
13 racing compact to carry out the purposes of the compact.

14 (2) "Official" means the appointed, elected, designated, or
15 otherwise duly selected member of a racing commission or the equivalent
16 thereof in a party state who represents that party state as a member of
17 the compact committee.

18 (3) "Participants in live racing" means participants in live horse
19 racing with pari-mutuel wagering in the party states.

20 (4) "Party state" means each state that has enacted the live horse
21 racing compact.

22 (5) "State" means each of the several states of the United States,
23 the District of Columbia, the Commonwealth of Puerto Rico, and each
24 territory or possession of the United States.

25 NEW SECTION. **Sec. 3.** The live horse racing compact shall come
26 into force when enacted by any four states. Thereafter, the compact
27 shall become effective as to any other state upon: (1) That state's
28 enactment of the compact; and (2) the affirmative vote of a majority of
29 the officials on the compact committee as provided in section 8 of this
30 act.

31 NEW SECTION. **Sec. 4.** Any state that has adopted or authorized
32 horse racing with pari-mutuel wagering is eligible to become party to
33 the live horse racing compact.

34 NEW SECTION. **Sec. 5.** Any party state may withdraw from the live
35 horse racing compact by enacting a statute repealing the compact, but

1 no such withdrawal is effective until the head of the executive branch
2 of the withdrawing state has given notice in writing of such withdrawal
3 to the head of the executive branch of all other party states. If, as
4 a result of withdrawals, participation in the compact decreases to less
5 than three party states, the compact no longer shall be in force and
6 effect unless and until there are at least three or more party states
7 again participating in the compact.

8 NEW SECTION. **Sec. 6.** (1) There is created an interstate
9 governmental entity to be known as the "compact committee" which shall
10 be comprised of one official from the racing commission or its
11 equivalent in each party state who shall be appointed, serve, and be
12 subject to removal in accordance with the laws of the party state he or
13 she represents. Under the laws of his or her party state, each
14 official shall have the assistance of his or her state's racing
15 commission or the equivalent thereof in considering issues related to
16 licensing of participants in live racing and in fulfilling his or her
17 responsibilities as the representative from his or her state to the
18 compact committee. If an official is unable to perform any duty in
19 connection with the powers and duties of the compact committee, the
20 racing commission or equivalent thereof from his or her state shall
21 designate another of its members as an alternate who shall serve in his
22 or her place and represent the party state as its official on the
23 compact committee until that racing commission or equivalent thereof
24 determines that the original representative official is able once again
25 to perform his or her duties as that party state's representative
26 official on the compact committee. The designation of an alternate
27 shall be communicated by the affected state's racing commission or
28 equivalent thereof to the compact committee as the committee's bylaws
29 may provide.

30 (2) The governor shall appoint the official to represent the state
31 of Washington on the compact committee for a term of four years. No
32 official may serve more than three consecutive terms. A vacancy shall
33 be filled by the governor for the unexpired term.

34 NEW SECTION. **Sec. 7.** In order to carry out the live horse racing
35 compact, the compact committee is granted the power and duty to:

36 (1) Determine which categories of participants in live racing,
37 including but not limited to owners, trainers, jockeys, grooms, mutuel

1 clerks, racing officials, veterinarians, and farriers, should be
2 licensed by the compact committee, and establish the requirements for
3 the initial licensure of applicants in each such category, the term of
4 the license for each category, and the requirements for renewal of
5 licenses in each category. However, with regard to requests for
6 criminal history record information on each applicant for a license,
7 and with regard to the effect of a criminal record on the issuance or
8 renewal of a license, the compact committee shall determine for each
9 category of participants in live racing which licensure requirements
10 for that category are, in its judgment, the most restrictive licensure
11 requirements of any party state for that category and shall adopt
12 licensure requirements for that category that are, in its judgment,
13 comparable to those most restrictive requirements;

14 (2) Investigate applicants for a license from the compact committee
15 and, as permitted by federal and state law, gather information on such
16 applicants, including criminal history record information from the
17 federal bureau of investigation and relevant state and local law
18 enforcement agencies, and, where appropriate, from the royal Canadian
19 mounted police and law enforcement agencies of other countries,
20 necessary to determine whether a license should be issued under the
21 licensure requirements established by the compact committee under
22 subsection (1) of this section. Only officials on, and employees of,
23 the compact committee may receive and review such criminal history
24 record information, and those officials and employees may use that
25 information only for the purposes of the compact. No such official or
26 employee may disclose or disseminate such information to any person or
27 entity other than another official on or employee of the compact
28 committee. The fingerprints of each applicant for a license from the
29 compact committee shall be taken by the compact committee, its
30 employees, or its designee and shall be forwarded to a state
31 identification bureau, or to an association of state officials
32 regulating pari-mutuel wagering designated by the attorney general of
33 the United States, for submission to the federal bureau of
34 investigation for a criminal history record check. Such fingerprints
35 may be submitted on a fingerprint card or by electronic or other means
36 authorized by the federal bureau of investigation or other receiving
37 law enforcement agency;

38 (3) Issue licenses to, and renew the licenses of, participants in
39 live racing listed in subsection (1) of this section who are found by

1 the compact committee to have met the licensure and renewal
2 requirements established by the compact committee. The compact
3 committee shall not have the power or authority to deny a license. If
4 it determines that an applicant will not be eligible for the issuance
5 or renewal of a compact committee license, the compact committee shall
6 notify the applicant that it will not be able to process his or her
7 application further. Such notification does not constitute and shall
8 not be considered to be the denial of a license. Any such applicant
9 has the right to present additional evidence to, and to be heard by,
10 the compact committee, but the final decision on issuance or renewal of
11 the license shall be made by the compact committee using the
12 requirements established under subsection (1) of this section;

13 (4) Enter into contracts or agreements with governmental agencies
14 and with nongovernmental persons to provide personal services for its
15 activities and such other services as may be necessary to carry out the
16 compact;

17 (5) Create, appoint, and abolish those offices, employments, and
18 positions, including an executive director, as it deems necessary for
19 the purposes of the compact, prescribe their powers, duties, and
20 qualifications, hire persons to fill those offices, employments, and
21 positions, and provide for the removal, term, tenure, compensation,
22 fringe benefits, retirement benefits, and other conditions of
23 employment of its officers, employees and other positions;

24 (6) Borrow, accept, or contract for the services of personnel from
25 any state, the United States, or any other governmental agency, or from
26 any person, firm, association, corporation, or other entity;

27 (7) Acquire, hold, and dispose of real and personal property by
28 gift, purchase, lease, license, or in other similar manner, in
29 furtherance of the compact;

30 (8) Charge a fee to each applicant for an initial license or
31 renewal of a license; and

32 (9) Receive other funds through gifts, grants, and appropriations.

33 NEW SECTION. **Sec. 8.** (1) Each official is entitled to one vote on
34 the compact committee.

35 (2) All action taken by the compact committee with regard to the
36 addition of party states as provided in section 3 of this act, the
37 licensure of participants in live racing, and the receipt and
38 disbursement of funds require a majority vote of the total number of

1 officials, or their alternates, on the compact committee. All other
2 action by the compact committee requires a majority vote of those
3 officials, or their alternates, present and voting.

4 (3) No action of the compact committee may be taken unless a quorum
5 is present. A majority of the officials, or their alternates, on the
6 compact committee constitutes a quorum.

7 NEW SECTION. **Sec. 9.** (1) The compact committee shall elect
8 annually from among its members a chair, a vice-chair, and a
9 secretary/treasurer.

10 (2) The compact committee shall adopt bylaws for the conduct of its
11 business by a two-thirds vote of the total number of officials, or
12 their alternates, on the compact committee at that time and shall have
13 the power by the same vote to amend and rescind such bylaws. The
14 compact committee shall publish its bylaws in convenient form and shall
15 file a copy thereof and a copy of any amendments thereto with the
16 secretary of state or equivalent agency of each of the party states.

17 (3) The compact committee may delegate the day-to-day management
18 and administration of its duties and responsibilities to an executive
19 director and the executive director's support staff.

20 (4) Employees of the compact committee are considered governmental
21 employees.

22 NEW SECTION. **Sec. 10.** No official of a party state or employee of
23 the compact committee shall be held personally liable for any good
24 faith act or omission that occurs during the performance and within the
25 scope of his or her responsibilities and duties under the live horse
26 racing compact.

27 NEW SECTION. **Sec. 11.** (1) By enacting the compact, each party
28 state:

29 (a) Agrees: (i) To accept the decisions of the compact committee
30 regarding the issuance of compact committee licenses to participants in
31 live racing under the compact committee's licensure requirements; and
32 (ii) to reimburse or otherwise pay the expenses of its official
33 representative on the compact committee or his or her alternate;

34 (b) Agrees not to treat a notification to an applicant by the
35 compact committee under section 7(3) of this act that the compact
36 committee will not be able to process the application further as the

1 denial of a license, or to penalize such an applicant in any other way
2 based solely on such a decision by the compact committee; and

3 (c) Reserves the right: (i) To charge a fee for the use of a
4 compact committee license in that state; (ii) to apply its own
5 standards in determining whether, on the facts of a particular case, a
6 compact committee license should be suspended or revoked; (iii) to
7 apply its own standards in determining licensure eligibility, under the
8 laws of that party state, for categories of participants in live racing
9 that the compact committee determines not to license and for individual
10 participants in live racing who do not meet the licensure requirements
11 of the compact committee; and (iv) to establish its own licensure
12 standards for the licensure of nonracing employees at horse racetracks
13 and employees at separate satellite wagering facilities. Any party
14 state that suspends or revokes a compact committee license shall,
15 through its racing commission or the equivalent thereof or otherwise,
16 promptly notify the compact committee of that suspension or revocation.

17 (2) No party state shall be held liable for the debts or other
18 financial obligations incurred by the compact committee.

19 NEW SECTION. **Sec. 12.** All departments, agencies, and officers of
20 the state of Washington and its political subdivisions are authorized
21 to cooperate with the compact committee in furtherance of any of its
22 activities of the live horse racing compact.

23 NEW SECTION. **Sec. 13.** Nothing in this chapter shall be construed
24 to diminish or limit the powers and responsibilities of the Washington
25 horse racing commission established in chapter 67.16 RCW or to
26 invalidate any action of the Washington horse racing commission
27 previously taken, including without limitation any regulation issued by
28 the commission.

29 NEW SECTION. **Sec. 14.** This chapter shall be liberally construed
30 so as to effectuate its purposes. The provisions of this chapter are
31 severable, and, if any phrase, clause, sentence, or provision of the
32 compact is declared to be contrary to the Constitution of the United
33 States or of any party state, or the applicability of the live horse
34 racing compact to any government, agency, person, or circumstance is
35 held invalid, the validity of the remainder of the compact and the
36 applicability thereof to any government, agency, person, or

1 circumstance shall not be affected thereby. If all or some portion of
2 the live horse racing compact is held to be contrary to the
3 constitution of any party state, the compact shall remain in full force
4 and effect as to the remaining party states and in full force and
5 effect as to the state affected as to all severable matters.

6 NEW SECTION. **Sec. 15.** This act may be known and cited as the live
7 horse racing compact.

8 NEW SECTION. **Sec. 16.** Sections 1 through 15 of this act
9 constitute a new chapter in Title 67 RCW.

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