

Chapter 260-13 WAC

CLASS A, B, AND C LICENSE—HORSE RACING FACILITIES

WAC			
260-13-500	Purpose.	260-13-090	Disclosure of governmental actions. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-090, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-505	Definitions.		
260-13-510	Application for Class A, B, or C license—Affidavit of the applicant.		
260-13-515	Application for Class A, B, or C license—Additional requirements.	260-13-100	Disclosure of management. [Statutory Authority: RCW 67.16.040. WSR 92-17-002, § 260-13-100, filed 8/5/92, effective 9/5/92. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-100, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-520	Disclosure of ownership and/or control.		
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260-13-620	Application requirements—Executive secretary's designee.		
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260-13-650	License fee—Class A, B, and C license.		
DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER			
260-13-010	Identification of applicant for Class A license. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-010, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-140	Effects on competition. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-140, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-020	Applicant's affidavit. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-020, filed 10/16/86. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-020, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-150	Disclosure of assistance in preparation of application. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-150, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-030	Disclosure of ownership and control. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-030, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-160	Personal information and authorization for release. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-160, filed 10/16/86. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-160, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-040	Disclosure of character information. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-040, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-170	Class A license criteria. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-170, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-050	Disclosure of improvements and equipment. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-050, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-175	Definition of "applicant." [Statutory Authority: RCW 67.16.040. WSR 92-17-002, § 260-13-175, filed 8/5/92, effective 9/5/92.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-060	Disclosure of development process. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-060, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-180	Identification of applicant for Class B license. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-180, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-070	Disclosure of financial resources. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-070, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-190	Applicant's affidavit. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-190, filed 10/16/86. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-190, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-080	Disclosure of financial plan. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-080, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-200	Disclosure of ownership and control. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-200, filed 6/16/86.] Repealed

	by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.		9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-210	Disclosure of character information. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-210, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-360	Class A and B license application submission. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-360, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-220	Disclosure of improvements and equipment. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-220, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-370	Investigation fee for Class A and B licenses. [Statutory Authority: RCW 67.16.040. WSR 92-17-002, § 260-13-370, filed 8/5/92, effective 9/5/92. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-370, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-230	Disclosure of authorization to use horse racing facility. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-230, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-380	Clarification of Class A and B license application requirements. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-380, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-240	Disclosure of financial resources. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-240, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-390	Changes in Class A and B license applications. [Statutory Authority: RCW 67.16.040. WSR 92-17-002, § 260-13-390, filed 8/5/92, effective 9/5/92. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-390, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-250	Disclosure of financial plan. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-250, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-400	Deadlines for submission of Class A and B license applications. [Statutory Authority: RCW 67.16.040. WSR 92-17-002, § 260-13-400, filed 8/5/92, effective 9/5/92. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-400, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-260	Disclosure of governmental actions. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-260, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-410	Oral presentation by applicant for a Class A or B license. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-410, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-270	Disclosure of management. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-270, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-420	Payment of Class A and B license fees. [Statutory Authority: RCW 67.16.020. WSR 03-11-015, § 260-13-420, filed 5/12/03, effective 6/12/03. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-420, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-280	Disclosure of public service. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-280, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-430	Class A and B license application information. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-430, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-290	Disclosure of economic impact. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-290, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-440	Delay in completion of racetrack facility. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-440, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-300	Disclosure of public support and opposition. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-300, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-450	Construction, expansion, extension, alteration, or remodeling of facilities. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-450, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-310	Effects on competition. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-310, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-460	Identification of applicant for Class C license. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-460, filed 10/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-320	Disclosure of assistance in preparation of application. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-320, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-470	Applicant's affidavit. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-470, filed 10/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
260-13-330	Personal information and authorization for release. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-330, filed 10/16/86. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-330, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.	260-13-480	Other requirements for Class C license. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-480, filed 10/16/86.] Repealed by WSR 08-17-050, filed
260-13-340	Class B license criteria. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-340, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.		
260-13-350	Class A and B license application disclosures. [Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 86-13-056 (Order 86-03), § 260-13-350, filed 6/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective		

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8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.
 Class C license criteria. [Statutory Authority: RCW 67.16.020, 67.16.040 and 67.16.075. WSR 86-21-081 (Resolution No. 86-04), § 260-13-490, filed 10/16/86.] Repealed by WSR 08-17-050, filed 8/14/08, effective 9/14/08. Statutory Authority: RCW 67.16.020 and 67.16.040.

WAC 260-13-500 Purpose. The commission is authorized in chapter 67.16 RCW to license, regulate, and supervise all race meets held in this state. The purpose of this chapter is to establish procedures for persons or entities to apply for a license to own and/or operate a horse racing facility in this state where parimutuel wagering is conducted. Every person or entity making application for a Class A, B, or C license to hold a race meet must comply with the provisions of this chapter and the applicable provisions of chapter 67.16 RCW. This chapter does not apply to an existing Class A, B, or C licensee required to submit an application for race dates and other information on its race meet, as may be required in chapter 260-20 WAC.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-500, filed 8/14/08, effective 9/14/08.]

WAC 260-13-505 Definitions. The definitions in this section apply throughout this chapter unless the context requires otherwise.

(1) Class A license is a license to own and operate a horse racing facility where parimutuel wagering is conducted. A Class A license is granted to the licensee who has complete control over all aspects of ownership and operation of the horse racing facility.

(2) Class B license is a license to operate a horse racing facility where parimutuel wagering is conducted. A Class B license is granted to a licensee who has complete control over all aspects of operating the horse racing facility but does not retain ownership of the facility.

(3) Class C license is a license to operate a nonprofit horse racing facility where parimutuel wagering is conducted. A Class C license is granted to the licensee who has complete control over all aspects of operating a nonprofit horse racing facility.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-505, filed 8/14/08, effective 9/14/08.]

WAC 260-13-510 Application for Class A, B, or C license—Affidavit of the applicant. An application for a Class A, B, or C license must include an affidavit of the applicant or the applicant's agent setting forth the following:

- (1) The class of license being applied for;
- (2) If the applicant is an individual, his/her legal name and the legal name of his/her spouse and dates of birth, telephone number(s) and address(es);
- (3) If applicable, the name, address, and telephone number of the person representing the applicant and that the person is authorized to make application on the applicant's behalf. Documented proof of authority must be attached to the affidavit;
- (4) If the applicant is a corporation:
 - (a) The name of the corporation;
 - (b) The date and place of incorporation;

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(c) The names, dates of birth and addresses of directors and officers who are natural persons;

(d) The names and addresses of its shareholders:

(i) If a shareholder is a corporation, then the name and place of its incorporation, and the names and addresses and dates of birth of those corporations' directors and officers;

(ii) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in this subsection will be required from the directors of the not-for-profit entity, or the directors and officers of the publicly traded corporation, in lieu of the shareholders;

(iii) If the applicant is a general or limited partnership, the names, dates of birth, and addresses of the partners; if a partner is a corporation, the date of incorporation, the place of incorporation and the names and addresses and dates of birth of its directors and officers must be provided;

(5) A statement that the applicant for license accepts that at all times, the burden of proving the applicant's qualification for license rests with the applicant;

(6) A statement that the applicant consents to inquiries by the state of Washington, the commission, its employees, staff and agents into the financial, character, and other qualifications of the applicant by contacting individuals and organizations;

(7) A statement that the applicant, its owners, partners, members, directors, officers, and personnel accept any risk of adverse public notice, or circumstances, including financial loss, which may result from actions by the state of Washington, the commission, its employees, staff and agents and expressly waive any claim which otherwise could be made against the state of Washington, the commission, its employees, staff and agents;

(8) A statement that the information contained in the application is true and complete and that any false, incomplete, misleading information may be grounds for denial of the application or fine, suspension or revocation of existing license; and

(9) A statement that the applicant will comply with chapter 67.16 RCW and Title 260 WAC.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-510, filed 8/14/08, effective 9/14/08.]

WAC 260-13-515 Application for Class A, B, or C license—Additional requirements. (1) As part of the application process, the commission has the right to require fingerprints from those persons the commission determines necessary to ensure those persons suitable for horse racing are granted a license to own and/or operate a racing facility where parimutuel wagering is conducted.

(2) The commission has the right to require additional information as part of the license application process.

(3) The applicant will provide ten copies of the application including all attachments and other documents required in this chapter. All ten copies of the application must be in printed or typewritten form on 8-1/2 by 11 inch paper. Immediately preceding each response, an applicant must restate the information requested. Any attachments or exhibits must be lettered or numbered separately. An applicant must provide photographs of any three-dimensional exhibits.

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(4) Deadlines for submission of a license application may be specified by the commission.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-515, filed 8/14/08, effective 9/14/08.]

WAC 260-13-520 Disclosure of ownership and/or control. An application for a Class A, B, or C license must disclose the following:

(1) The organizational structure of the applicant, whether individual business, corporation, nonprofit corporation, partnership, joint venture, trust, association, or other;

(2) If the applicant is an individual, the applicant's full legal name, whether the applicant is a United States citizen, any aliases and business names currently used by the applicant, and copies of state and federal tax returns for the past five years;

(3) If the applicant is a corporation:

(a) The applicant's full corporate name and any trade names currently used by the applicant;

(b) The jurisdiction and date of incorporation;

(c) The date the applicant began doing business in Washington and, if the applicant is incorporated outside Washington, a copy of the applicant's certificate of authority to do business in Washington;

(d) Copies of the applicant's articles of incorporation, bylaws, and state and federal corporate tax returns for the past five years;

(e) The general nature of the applicant's business;

(f) Whether the applicant is publicly held as defined by the rules and regulations of the Securities and Exchange Commission;

(g) The classes of stock of the applicant. As to each class, the number of shares authorized, number issued, number outstanding, par value per share, issue price, current market price, number of shareholders, terms, position, rights, and privileges must be disclosed;

(h) If the applicant has any other obligations or securities authorized or outstanding which bear voting rights either absolutely or upon any contingency, the nature thereof, face or par value, number of units authorized, number outstanding, and conditions under which they may be voted;

(i) The names, in alphabetical order, addresses and telephone numbers of the directors and, in a separate listing, officers of the applicant. As to each director and officer, the number of shares held of record as of the application date or beneficially of each class of stock, including stock options and subscriptions, and units held of record or beneficially of other obligations or securities which bear voting rights must be disclosed;

(j) The names, in alphabetical order, addresses and telephone numbers of each record holder as of the date of application or beneficial owner of shares, including stock options and subscriptions, of the applicant or units of other obligations or securities which bear voting rights. For each holder of shares or units, the number and class or type of shares or units must be disclosed;

(k) Whether the requirements of the Securities Act of 1933 and Securities and Exchange Act of 1934, as amended, and Securities and Exchange Commission rules and regulations have been met in connection with issuance of applicant's securities, and copies of most recent registration state-

ment and annual report filed with the Securities and Exchange Commission;

(l) Whether the securities registration and filing requirements of the applicant's jurisdiction of incorporation have been met and a copy of most recent registration statement filed with the securities regulator in that jurisdiction; and

(m) Whether the securities registration and filing requirements of the state of Washington have been met. If they have not, the applicant must disclose the reasons why. The applicant must provide copies of all securities filings with the Washington department of financial institutions securities division during the past five years;

(4) If the applicant is an organization other than a corporation or an individual:

(a) The applicant's full name and any trade names currently used by the applicant;

(b) The jurisdiction of organization of the applicant;

(c) The date the applicant commenced doing business in Washington;

(d) Copies of any agreements creating or governing the applicant's organization and the applicant's state and federal tax returns for the past five years;

(e) The general nature of the applicant's business;

(f) The names, in alphabetical order, address and telephone numbers of any partners and officers of the applicant and other persons who have or share policymaking authority. As to each, the applicant must disclose the nature and extent of any ownership interest, including options, or other voting interest, whether absolute or contingent, in the applicant; and

(g) The names, in alphabetical order, addresses and telephone numbers of any individual or other entity holding a record or beneficial ownership interest, including options, as of the date of the application or other voting interest, whether absolute or contingent, in the applicant. As to each, the applicant must disclose the nature and extent of the interest;

(5) Whether the applicant is directly or indirectly controlled to any extent or in any manner by another individual or entity. If so, the applicant must disclose the identity of the controlling entity and a description of the nature and extent of control;

(6) Any agreements or understandings which the applicant or any individual or entity identified pursuant to this part has entered into regarding ownership or operation of applicant's horse racing facility, and copies of any written agreements;

(7) Any agreements or understandings which the applicant has entered into for the payment of fees, rents, salaries, or other compensation by the applicant, and copies of any written agreements; and

(8) Whether the applicant, any partner, director, officer, other policymaker, holder of a direct or indirect record or beneficial ownership interest or other voting interest or control of one percent or more in the applicant has held or holds a license or permit issued by a governmental authority to own and operate a horse racing facility or conduct any aspect of horse racing or gambling. If so, the applicant must disclose the identity of the license or permit holder, nature of the license or permit, issuing authority, and dates of issuance and termination.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-520, filed 8/14/08, effective 9/14/08.]

WAC 260-13-530 Disclosure of character information. An applicant for a Class A, B, or C license must disclose whether the applicant or any individual or other entity identified in the application has:

(1) Ever been charged in a criminal proceeding with a misdemeanor, gross misdemeanor or felony. If so, the applicant must disclose the date charged, court, whether convicted, date convicted, crime convicted of, and sentence.

(2) Ever been a party in a civil proceeding and alleged to have engaged in an unfair or anticompetitive business practice, a securities violation, or false or misleading advertising. If so, the date of commencement of the proceeding, court, circumstances, date of decision or other resolution, and result.

(3) Ever had a horse racing, gambling, or other business license or permit revoked or suspended or renewal denied or been a party in a proceeding to do so. If so, the applicant must disclose the circumstances, date, and the result of the decision.

(4) Ever been accused in an administrative or judicial proceeding of violation of a statute or rule relating to unfair labor practices, discrimination, horse racing or gambling. If so, the applicant must disclose the date of commencement, forum, circumstances, date of decision, and result.

(5) Commenced an administrative or judicial action against a governmental regulator of horse racing or gambling. If so, the applicant must disclose the circumstances, date, and the result of the decision.

(6) Ever been the subject of voluntary or involuntary bankruptcy proceedings. If so, the applicant must disclose the circumstances, date, and the result of the decision.

(7) Ever failed to satisfy any judgment, decree, or order of an administrative or judicial tribunal. If so, the applicant must disclose the date and circumstances.

(8) Ever been delinquent in filing a tax report required or remitting a tax imposed by any government. If so, the applicant must disclose the circumstances, date, and the result of the decision.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-530, filed 8/14/08, effective 9/14/08.]

WAC 260-13-540 Description of facilities. An applicant for Class A, B, or C license, at the time of application, will provide the commission a detailed description, floor plans and site plans of the horse racing facility. At a minimum, the description must include the following:

(1) The address of the facility, its size, and geographical location, including reference to county and municipal boundaries;

(2) A site map showing current and proposed highways and streets adjacent to the facility;

(3) The types of racing for which the facility is designed, whether thoroughbred, harness, quarter horse, or other or combination thereof;

(4) The racetrack dimensions by circumference, width, banking, location of chutes, length of stretch, distance from judges' stand to first turn and type of surface. If the facility has more than one racetrack, the applicant must provide a description of each;

(5) A description of horse stalls at the facility, including the dimensions of stalls, separation, location, and total number of stalls;

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(6) A description of the grandstand, giving total seating capacity, total reserved seating capacity, indoor and outdoor seating capacity, configuration of grandstand seating and parimutuel and concession facilities within the grandstand; the number and location of men's and women's restrooms, drinking fountains, and medical facilities available to patrons; and a description of public pedestrian traffic patterns throughout the grandstand;

(7) A description of the receiving and test barns, giving distance from these barns to the track and paddock. In addition, the number of sampling stalls, placement of viewing ports on each stall, number of wash stalls with hot and cold water and drains, availability of video monitors and a description of the walking ring;

(8) A description of the paddock, number of stalls in the paddock, height from the floor to lowest point of the stall ceiling and entrance, and paddock public address and telephone services;

(9) A description of the jockeys' and/or drivers' quarters, giving changing areas, a listing of equipment to be installed in each, and the location of the jockeys' quarters in relation to the paddock;

(10) A description of the parimutuel system, giving approximate location of bettors' windows and cash security areas, and a description of the equipment, including the provider if known;

(11) A description of the parking, showing access to parking from surrounding streets and highways, number of parking spaces available, and distinguishing between public and other. Include a description of the road surface on parking areas and the distance between parking and the grandstand, and a map of the area showing the relationship of parking to surrounding streets and highways;

(12) A description of the height, type of construction, and materials of perimeter fence;

(13) A description of improvements and equipment at the racetrack for security purposes in addition to perimeter fence, including the provider of equipment if known;

(14) A description of starting, timing, photo finish, and photo-patrol or video equipment, including the provider if known;

(15) A description of work areas for the commission employees, including location, square footage, telephones and other electronic access points;

(16) A description of access of the facility to public transportation, specifics of the types of transportation and schedules, road maps of area indicating pick-up and drop-off points; and

(17) The manner the proposed wagering (including simulcast if applicable) system will operate and the regular hours of operation.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-540, filed 8/14/08, effective 9/14/08.]

WAC 260-13-550 Disclosure of development process. An applicant for Class A, B, or C license, at the time of application, will disclose to the commission its development process, if any, which must include the following:

(1) The total cost of construction, renovation or repairs of the facility, distinguishing between fixed costs and projections;

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(2) Identification of the following costs, distinguishing between fixed costs and projections:

- (a) Facility design;
 - (b) Land acquisition;
 - (c) Site preparation;
 - (d) Improvements and equipment, separately identifying the costs of improvements and equipment;
 - (e) Interim financing;
 - (f) Permanent financing; and
 - (g) Organization, administrative, accounting, and legal;
- (3) Documentation of fixed costs;
- (4) The schedule for construction of the facility, including estimated completion date;
- (5) Schematic drawings;
- (6) Copies of any contracts with and performance bonds from the:
- (a) Architect or other design professional;
 - (b) Project engineer;
 - (c) Construction engineer;
 - (d) Contractors and subcontractors; and
 - (e) Equipment procurement personnel; and
- (7) Whether the site has been acquired or leased by the applicant. If the site has been acquired by the applicant, documented proof of the acquisition must be provided. If the site is leased, the applicant must disclose what actions the applicant must take in order to use the site and provide a copy of the lease.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-550, filed 8/14/08, effective 9/14/08.]

WAC 260-13-560 Disclosure of financial resources.

An applicant for a Class A, B, or C license must disclose the following:

(1) An audited financial statement reflecting the applicant's current assets, including investments in affiliated entities, loans and advances receivable and fixed assets and current liabilities, including loans and advances payable, long-term debt and equity;

(2) For a Class A license the equity and debt sources of funds to develop, own, and operate the facility. For a Class B or C license the equity and debt sources of funds to operate the facility:

(a) With respect to each source of equity contribution, identification of the source, amount, form, method of payment, nature and amount of present commitment, documentation and actions which the applicant will take to obtain more certain commitments and commitments for additional amounts; and

(b) With respect to each source of debt contribution, identification of the source, amount, terms of debt, collateral, identity of guarantors, nature and amount of commitments, documentation and actions which the applicant will take to obtain more certain commitments and commitments for additional amounts; and

(3) Identification and description of sources of additional funds if needed due to cost overruns, nonreceipt of expected equity or debt funds, failure to achieve projected revenues or other cause.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-560, filed 8/14/08, effective 9/14/08.]

WAC 260-13-570 Disclosure of financial plan. An applicant for a Class A, B, or C license must disclose its financial plan. For a Class A license this must include the financial projections for the development period and each of the first five racing years. For a Class B or C license this must include the financial projections for the first three racing years. For all licenses the financial plan must include separate schedules based upon the number of racing days and types of parimutuel betting the applicant requires to break even and the optimum number of races and types of betting applicant estimates each year. The financial plan must include:

- (1) The following assumptions and support for them:
 - (a) The average daily attendance;
 - (b) Average daily handle;
 - (c) Retention (RCW 67.16.170 and 67.16.175);
 - (d) Admission revenue and admission fees;
 - (e) Parking volume, fees, and revenues;
 - (f) Concessions, gift shop, and program sales;
 - (g) Cost of purses;
 - (h) Parimutuel system expense;
 - (i) State taxes;
 - (j) Real estate taxes;
 - (k) Washington-bred breeder awards (Class A and B only);
 - (l) Washington-bred owner's bonuses (Class A and B only);
 - (m) Class C purse funds (Class A and B only);
 - (n) Parimutuel tax (Class A and B only);
 - (o) Payroll;
 - (p) Operating supplies and services;
 - (q) Utilities;
 - (r) Repairs and maintenance;
 - (s) Insurance;
 - (t) Membership expense;
 - (u) Security expense;
 - (v) Legal and audit expense;
 - (w) Debt service; and
 - (x) Federal taxes;
- (2) The following profit and loss elements:
 - (a) Total revenue, including projected revenues from retention and breakage, admissions, parking, and concessions, gift, and program operations;
 - (b) Total operating expenses, including anticipated expenses for:
 - (i) Purses;
 - (ii) Parimutuel system;
 - (iii) Sales tax;
 - (iv) Parimutuel tax (Class A and B only);
 - (v) Real estate tax;
 - (vi) Admissions tax;
 - (vii) Washington-bred breeder awards (Class A and B only);
 - (viii) Washington-bred owner's bonuses (Class A and B only);
 - (ix) Class C purse fund (Class A and B only);
 - (x) Special assessments;
 - (xi) Cost of concession goods, gifts, and programs;
 - (xii) Advertising and promotion;
 - (xiii) Payroll;
 - (xiv) Operating supplies and service;
 - (xv) Maintenance and repairs;

- (xvi) Insurance;
- (xvii) Security;
- (xviii) Legal and audit; and
- (xix) Federal and state income taxes;

(c) Nonoperating expenses, including anticipated expenses for debt service, facility depreciation and identification of method used, and equipment depreciation and identification of method used;

(3) Projected cash flow, including assessment of:

(a) Income, including equity contributions, debt contributions, interest income, operating revenue; and

(b) Disbursements, including land, improvements, equipment, debt service, operating expense, organizational expense; and

(4) Projected balance sheets as of the end of the development, renovation or repair period and each of the five racing years for Class A license applicant or the first three racing years for Class B or C license applicant, setting forth:

- (a) Current, fixed, and other noncurrent assets;
- (b) Current and long-term liabilities; and
- (c) Capital accounts.

The applicant must also provide an accountant's report supporting the financial projections.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-570, filed 8/14/08, effective 9/14/08.]

WAC 260-13-580 Disclosure of governmental actions. An applicant for a Class A, B, or C license must disclose actions of government agencies, which include:

(1) The street and highway improvements necessary to ensure adequate access to applicant's facility, and the cost of improvements, status, likelihood of completion, and estimated date.

(2) The sewer, water, and other public utility improvements necessary to serve applicant's facility, and the cost of improvements, status, likelihood of completion, and estimated date.

(3) If applicant has obtained any required government approvals for its development, ownership, and operation of its horse racing facility:

(a) A description of the approval, unit of government, date, and documentation.

(b) Whether public hearings were held. If they were, the applicant must disclose when and where the hearings were conducted. If they were not held, the applicant must disclose why they were not held.

(c) Whether the unit of government attached any conditions to approval. If so, the applicant must disclose these conditions, including documentation.

(4) Whether any required governmental approvals remain to be obtained, as well as a description of the approval, unit of government, status, likelihood of approval, and estimated date.

(5) Whether an environmental assessment of the facility has been or will be prepared. If so, the applicant must disclose its status and the governmental unit with jurisdiction, and provide a copy of any assessment.

(6) Whether an environmental impact statement is required for applicant's facility. If so, the applicant must disclose its status and the governmental unit with jurisdiction, and provide a copy of any statement.

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(7) Whether the applicant is in compliance with all statutes, charter provisions, ordinances, and regulations pertaining to the development, ownership, and/or operation of its horse racing facility. If the applicant is not in compliance, the applicant must disclose the reasons why the applicant is not in compliance.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-580, filed 8/14/08, effective 9/14/08.]

WAC 260-13-590 Disclosure of management. An applicant for a Class A, B, or C license must disclose the following regarding development, ownership, and operation of its parimutuel horse racing facility:

(1) A description of the applicant's management plan, with budget and identification of management personnel by function, job descriptions, and qualifications for each management position, and a copy of the organization chart;

(2) Management personnel, including the following:

(a) Legal name, aliases, and previous names;

(b) Current residence and business addresses and telephone numbers;

(3) Consultants and other contractors who have provided or will provide management-related services to applicant, including the following:

(a) Full name;

(b) Current address and telephone number;

(c) Nature of services;

(d) Qualifications and experience; and

(e) Description of terms and conditions of any contractor's agreement, and a copy of the agreement;

(4) Memberships of the applicant, management personnel, and consultants in horse racing organizations;

(5) Description of the applicant's security plan, including:

(a) Number of security personnel used by the applicant during a race meet, security staff levels during live racing, and at other times;

(b) Specific security plans for perimeter, stabling facilities, parimutuel betting facilities, purses, horsemen's bookkeeper, and cash room;

(c) Description of video monitoring equipment and its use;

(d) Whether the applicant will be a member of the Thoroughbred Racing Protective Bureau or other security organization; and

(e) Coordination of security with law enforcement agencies;

(6) Description of the applicant's plans for human and animal health and safety, including emergencies;

(7) Description of the applicant's marketing, promotion, and advertising plans;

(8) A description of the applicant's plan for concessions, including whether the licensee will operate concessions and, if not, who will, to the extent known;

(9) A description of the applicant's plan for conduct of horse racing, including types of racing, number of days, weeks, specific dates, number of races per day, time of day, and special events;

(10) A description of the applicant's plan for purses, including total purses, formula, minimum purse, stakes races, and purse handling procedures;

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(11) A description of the applicant's plan for parimutuel betting, including, windows, selling machines and clerks; and accounting procedures, including its proposed system of internal audit and supervisory controls;

(12) Its plan for promoting the orderly growth of horse racing in Washington;

(13) A description of the impact of its horse racing facility, including:

(a) The effects of its ownership and/or operation of its horse racing facility on competitors within the horse racing industry. This disclosure must analyze the impact on all other existing race tracks in Washington at the time and when the racing dates are projected to commence;

(b) Economic impact, including:

(i) Employment created and specifics as to number of jobs, whether permanent or temporary, type of work, compensation, employer, and how created;

(ii) Purchases of goods and services and specifics as to money amounts and types of purchases;

(iii) Public and private investment; and

(iv) Tax revenues generated;

(c) Ecological impact; and

(d) Impact on energy conservation and development of alternative energy sources;

(14) Describe public support and opposition, whether by a governmental official or agency or private individual or group including any applicable documentation; and

(15) Provide the names, addresses, and telephone numbers of individuals who assisted the applicant in preparation of its application and describe each person's role in preparing the application.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-590, filed 8/14/08, effective 9/14/08.]

WAC 260-13-600 Licensing criteria—Class A, B, or C license. The commission may deny a Class A, B, or C license to conduct a race meet when, in its judgment, a denial of a license appears to be in the best interest of horse racing and/or the public.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-600, filed 8/14/08, effective 9/14/08.]

WAC 260-13-610 Application fee—Class A, B, and C license. (1) An applicant for a Class A or B license must submit to the executive secretary at the time of application a certified check or bank draft to the order of the state of Washington in the amount of fifty thousand dollars to cover the costs of the investigation mandated by these rules. Upon completion of the investigation, the commission must refund to the applicant any amount by which the fifty thousand dollars exceeds the actual costs of investigation. If costs of the investigation exceed fifty thousand dollars, the applicant must remit the amount of the difference by certified check or bank draft within ten days after receipt of a bill from the commission. Should an applicant fail to pay additional amounts when billed, the commission will suspend all further action or investigation on the application until receipt of all moneys due and owing. The commission may, at its discretion, require an additional amount by way of deposit if necessary to complete its investigation. An individual or other entity

applying for Class A and B licenses simultaneously must submit only one fifty thousand dollar investigation fee.

(2) An applicant for a Class C license is not required to pay an investigation fee set forth in subsection (1) of this section.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-610, filed 8/14/08, effective 9/14/08.]

WAC 260-13-620 Application requirements—Executive secretary's designee. The executive secretary must designate an individual who will clarify Class A, B, and C license application requirements upon the oral or written request of a potential or actual applicant. The designee must respond to clarification requests in writing within five business days. No interpretation of application requirements by any other person will be binding upon the commission.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-620, filed 8/14/08, effective 9/14/08.]

WAC 260-13-630 Amendments to a license application. The commission may only consider a substantive amendment to a license application after its submission if such amendment is made at the direction of the commission and/or is deemed by the commission to be in the best interests of the horse racing industry.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-630, filed 8/14/08, effective 9/14/08.]

WAC 260-13-640 Application for license—Opportunity for oral presentation. The commission will provide an applicant for a license an opportunity to make an oral presentation of its application to the commission before the commission decides whether to issue a license. The commission is not required to provide an applicant more than one opportunity to make an oral presentation before the commission makes its decision.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-640, filed 8/14/08, effective 9/14/08.]

WAC 260-13-650 License fee—Class A, B, and C license. (1) A Class A or B license does not become effective until the commission receives a certified check or bank draft to the order of the state of Washington equal to two hundred dollars times the number of racing days requested in the license application and is void if the license fee is not received within ten days after issuance. The commission must refund to the licensee the amount by which the fee paid exceeds two hundred dollars times the number of actual days of racing.

(2) A Class C license applicant must pay its daily licensing fee required in RCW 67.16.130(1) at the end of its race meet.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-650, filed 8/14/08, effective 9/14/08.]