

SENATE BILL REPORT

SHB 2125

As Reported by Senate Committee On:
Commerce & Labor, February 28, 2014

Title: An act relating to removing the requirements that all fines collected be credited to the Washington horse racing commission class C purse fund account.

Brief Description: Removing the requirements that all fines collected be credited to the Washington horse racing commission class C purse fund account.

Sponsors: House Committee on Appropriations Subcommittee on General Government & Information Technology (originally sponsored by Representatives Schmick, Cody and Buys; by request of Horse Racing Commission).

Brief History: Passed House: 2/17/14, 97-0.

Committee Activity: Commerce & Labor: 2/24/14, 2/28/14 [DP].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Holmquist Newbry, Chair; Braun, Vice Chair; Conway, Ranking Member; Hasegawa, Hewitt, King and Kohl-Welles.

Staff: Jessica Stevenson (786-7465)

Background: The Washington State Horse Racing Commission regulates horse racing. The Board of Stewards is responsible for making initial agency determinations of rule violations. Upon making a determination that a Commission rule violation has occurred, the Board of Stewards may assess a fine, suspend or revoke a person's license, or any combination of these. The fines collected for rule violations must be deposited in the Washington Horse Racing Commission Class C Purse Fund Account. Expenditures from this account must be used only for purposes authorized by statute for nonprofit race meets, including distributions on a per-race-day basis and only for purses at race tracks that meet certain criteria.

Summary of Bill: The fines collected for rule violations must be deposited in the Washington Horse Racing Commission Operating Account. These funds must be used to support nonprofit race meets pursuant to the authorized uses for funds in the Operating Account. If nonprofit races are not requested or approved, the money stays in the Operating Account.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: In 2011 SSB 5747 had a section that removed the requirement that money go in the purse account and the section in the current bill was missed. The changes in SSB 5747 were agreed upon with nonprofit meets because they needed the money elsewhere in order to operate rather than end purse money itself. Instead of the money going in the Class C Account, the money will go in the general operating account. The money is still earmarked for Class C. By moving the money to the other account, they can still use it for purses if needed, or they can use it to supplement jockey insurance. When funds are available, there will be a meet for smaller Class C tracks and money will be given to purses when they can afford it. The goal is to keep the racing industry alive.

Persons Testifying: PRO: Representative Schmick, prime sponsor; Doug Moore, WA Horse Racing Commission.