CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 3045

Chapter 223, Laws of 2000

56th Legislature
2000 Regular Session

CLASS 1 RACING LICENSES

EFFECTIVE DATE: 6/8/00

Passed by the House February 11, 2000
    Yeas 95   Nays 0

CLYDE BALLARD
Speaker of the House of Representatives

FRANK CHOPP
Speaker of the House of Representatives

Passed by the Senate March 2, 2000
    Yeas 37   Nays 2

BRAD OWEN
President of the Senate

Approved March 30, 2000

CERTIFICATE

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 3045** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN
Chief Clerk

CYNTHIA ZEHNDER
Chief Clerk

FILED

March 30, 2000 - 2:26 p.m.

GARY LOCKE
Governor of the State of Washington

Secretary of State
State of Washington

Passed Legislature - 2000 Regular Session

State of Washington   **56th Legislature**   **2000 Regular Session**

By House Committee on Commerce & Labor (originally sponsored by Representatives Wood and Clements)

Read first time 02/03/2000. Referred to Committee on .

1   AN ACT Relating to class 1 racing licenses; and amending RCW
2   67.16.200.

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

4   **Sec. 1.** RCW 67.16.200 and 1997 c 87 s 4 are each amended to read
5   as follows:
6   (1) A racing association licensed by the commission to conduct a
7   race meet may seek approval from the commission to conduct parimutuel
8   wagering on its program at a satellite location or locations within the
9   state of Washington. The sale of parimutuel pools at satellite
10 locations shall be conducted only during the licensee's race meet and
11 simultaneous to all parimutuel wagering activity conducted at the
12 licensee's live racing facility in the state of Washington. The
13 commission's authority to approve satellite wagering at a particular
14 location is subject to the following limitations:
15   (a) The commission may approve only one satellite location in each
16 county in the state; however, the commission may grant approval for
17 more than one licensee to conduct wagering at each satellite location.
18 A satellite location shall not be operated within twenty driving miles
19 of any class 1 racing facility. For the purposes of this section,

1 "driving miles" means miles measured by the most direct route as
2 determined by the commission; and

3   (b) A licensee shall not conduct satellite wagering at any
4 satellite location within sixty driving miles of any other racing
5 facility conducting a live race meet.

6   (2) Subject to local zoning and other land use ordinances, the
7 commission shall be the sole judge of whether approval to conduct
8 wagering at a satellite location shall be granted.

9   (3) The licensee shall combine the parimutuel pools of the
10 satellite location with those of the racing facility for the purpose of
11 determining odds and computing payoffs. The amount wagered at the
12 satellite location shall be combined with the amount wagered at the
13 racing facility for the application of take out formulas and
14 distribution as provided in RCW 67.16.102, 67.16.105, 67.16.170, and
15 67.16.175. A satellite extension of the licensee's racing facility
16 shall be subject to the same application of the rules of racing as the
17 licensee's racing facility.

18   (4) Upon written application to the commission, a class 1 racing
19 association may be authorized to transmit simulcasts of live horse
20 races conducted at its racetrack to locations outside of the state of
21 Washington approved by the commission and in accordance with the
22 interstate horse racing act of 1978 (15 U.S.C. Sec. 3001 to 3007) or
23 any other applicable laws. The commission may permit parimutuel pools
24 on the simulcast races to be combined in a common pool. A racing
25 association that transmits simulcasts of its races to locations outside
26 this state shall pay at least fifty percent of the fee that it receives
27 for sale of the simulcast signal to the horsemen's purse account for
28 its live races after first deducting the actual cost of sending the
29 signal out of state.

30   (5) Upon written application to the commission, a class 1 racing
31 association may be authorized to transmit simulcasts of live horse
32 races conducted at its racetrack to licensed racing associations
33 located within the state of Washington and approved by the commission
34 for the receipt of the simulcasts. The commission shall permit
35 parimutuel pools on the simulcast races to be combined in a common
36 pool. The fee for in-state, track-to-track simulcasts shall be five
37 and one-half percent of the gross parimutuel receipts generated at the
38 receiving location and payable to the sending racing association. A
39 racing association that transmits simulcasts of its races to other

licensed racing associations shall pay at least fifty percent of the
fee that it receives for the simulcast signal to the horsemen's purse
account for its live race meet after first deducting the actual cost of
sending the simulcast signal. A racing association that receives races
simulcast from class 1 racing associations within the state shall pay
at least fifty percent of its share of the parimutuel receipts to the
horsemen's purse account for its live race meet after first deducting
the purchase price and the actual direct costs of importing the race.

(6) A class 1 racing association may be allowed to import
simulcasts of horse races from out-of-state racing facilities. With
the prior approval of the commission, the class 1 racing association
may participate in an interstate common pool and may change its
commission and breakage rates to achieve a common rate with other
participants in the common pool.

(a) The class 1 racing association shall make written application
with the commission for permission to import simulcast horse races for
the purpose of parimutuel wagering. Subject to the terms of this
section, the commission is the sole authority in determining whether to
grant approval for an imported simulcast race.

(b) During the conduct of its race meeting, a class 1 racing
association may be allowed to import no more than one simulcast race
card program during each live race day. A licensed racing association
may also be approved to import one simulcast race of regional or
national interest on each live race day. A class 1 racing association
may be permitted to import two simulcast programs on two nonlive race
days per each week during its live meet. A licensee shall not operate
parimutuel wagering on more than five days per week. Parimutuel
wagering on imported simulcast programs shall only be conducted at the
live racing facility of a class 1 racing association.

(c) The commission may allow simulcast races of regional or
national interest to be sent to satellite locations. The simulcasts
shall be limited to one per day except for Breeder's Cup special events
day.

(d) When open for parimutuel wagering, a class 1 racing association
which imports simulcast races shall also conduct simulcast parimutuel
wagering within its licensed racing enclosure on all races simulcast
from other class 1 racing associations within the state of Washington.

(e) When not conducting a live race meeting, a class 1 racing
association may be approved to conduct simulcast parimutuel wagering on

imported simulcast races. The conduct of simulcast parimutuel wagering
on the simulcast races shall be for not more than ((twelve)) fourteen
hours during any twenty-four hour period, for not more than five days
per week and only at its live racing facility.

(f) On any imported simulcast race, the class 1 racing association
shall pay fifty percent of its share of the parimutuel receipts to the
horsemen's purse account for its live race meet after first deducting
the purchase price of the imported race and the actual costs of
importing the race.

(7) For purposes of this section, a class 1 racing association is
defined as a licensee approved by the commission ((which)) to
conduct((s)) during each twelve-month period at least forty days of
live racing ((within four successive calendar months)). If a live race
day is canceled due to reasons directly attributable to acts of God,
labor disruptions affecting live race days but not directly involving
the licensee or its employees, or other circumstances that the
commission decides are beyond the control of the class 1 racing
association, then the canceled day counts toward the forty-day
requirement. The commission may by rule increase the number of live
racing days required to maintain class 1 racing association status or
make other rules necessary to implement this section.

(8) This section does not establish a new form of gaming in
Washington or allow expanded gaming within the state beyond what has
been previously authorized. Simulcast wagering has been allowed in
Washington before April 19, 1997. Therefore, this section does not
allow gaming of any nature or scope that was prohibited before April
19, 1997. This section is necessary to protect the Washington equine
breeding and racing industries, and in particular those sectors of
these industries that are dependent upon live horse racing. The
purpose of this section is to protect these industries from adverse
economic impacts and to promote fan attendance at class 1 racing
facilities. Therefore, imported simulcast race card programs shall not
be disseminated to any location outside the live racing facility of the
class 1 racing association and a class 1 racing association is strictly
prohibited from simulcasting imported race card programs to any
location outside its live racing facility.

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