H-4112.2

SUBSTITUTE HOUSE BILL 2369

State of Washington 59th Legislature 2006 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Quall, Conway, Clibborn, P. Sullivan and Simpson; by request of Horse Racing Commission)

READ FIRST TIME 01/26/06.

AN ACT Relating to authorizing the Washington horse racing commission to expend a statutorily limited amount of its operating funds for the development of the equine industry, improvement of racing facilities, and equine health research; and amending RCW 67.16.280 and 57.16.101.

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

7 **Sec. 1.** RCW 67.16.280 and 2004 c 246 s 3 are each amended to read 8 as follows:

(1) The Washington horse racing commission operating account is 9 10 created in the custody of the state treasurer. All receipts collected by the commission under RCW 67.16.105(2) must be deposited into the 11 12 account. Moneys in the account may be spent only after appropriation. Except as provided in subsection (2) of this section, expenditures from 13 the account may be used only for operating expenses of the commission. 14 15 Investment earnings from the account must be distributed to the Washington horse racing commission class C purse fund account, created 16 in RCW 67.16.285, pursuant to RCW 43.79A.040. 17

18 (2) In order to provide funding in support of the legislative 19 findings in RCW 67.16.101 (1) through (3), and to provide additional

necessary support to the nonprofit race meets beyond the funding 1 2 provided by RCW 67.16.101(4) and 67.16.102(2), the commission is authorized to spend up to three hundred thousand dollars per fiscal 3 year from its operating account for the purpose of developing the 4 equine industry, maintaining and upgrading racing facilities, and 5 assisting equine health research. When determining how to allocate the 6 funds available for these purposes, the commission shall give first 7 consideration to uses that assist the nonprofit race meets and equine 8 health research. These expenditures may occur only when sufficient 9 funds remain for the continued operations of the horse racing 10 commission. 11

12 Sec. 2. RCW 67.16.101 and 1977 ex.s. c 372 s 1 are each amended to 13 read as follows:

14 The legislature finds that:

(1) A primary responsibility of the horse racing commission is the encouragement of the training and development of the equine industry in the state of Washington whether the result of this training and development results in legalized horse racing or in the recreational use of horses;

(2) The horse racing commission has a further major responsibility to assure that any facility used as a race course should be maintained and upgraded to insure the continued safety of both the public and the horse at any time the facility is used for the training or contesting of these animals;

(3) ((Small race courses)) Nonprofit race meets within the state have difficulty in obtaining sufficient funds to provide the maintenance and upgrading necessary to assure this safety at these facilities, or to permit frequent use of these facilities by 4-H children or other horse owners involved in training; and

30 (4) The one percent of the parimutuel machine gross receipts used 31 to pay a special purse to the licensed owners of Washington bred horses 32 is available for the purpose of drawing interest, thereby obtaining 33 ((sufficient)) funds to be disbursed to achieve the necessary support 34 to these ((small race courses)) nonprofit race meets.

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