## SUBSTITUTE SENATE BILL 5610

State of Washington 69th Legislature 2025 Regular Session

By Senate Business, Financial Services & Trade (originally sponsored by Senators Kauffman, Nobles, and Orwall)

READ FIRST TIME 02/14/25.

- AN ACT Relating to allowing the horse racing commission to impose 1
- 2 a fee and using class 1 racing association sales tax revenues for
- 3 federal regulatory compliance; and adding new sections to chapter
- 67.16 RCW. 4

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- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 5
- 6 Sec. 1. A new section is added to chapter 67.16 7 RCW to read as follows:
- 8 The commission may impose fees, the commission as deems
- reasonable and appropriate, in order to pay federal fees and be in compliance with the horseracing integrity and safety act of 2020, 15 10
- 11 U.S.C. Sec. 3051 et seq., as amended. Revenues from the fees under 12
- this section must be deposited in the Washington equine industry federal regulatory account created in section 3 of this act. The 13
- 14 commission may adopt rules to implement this section.
- 15 NEW SECTION. Sec. 2. A new section is added to chapter 67.16
- RCW to read as follows: 16
- 17 (1) By July 1, 2027, and by July 1st of each year thereafter, the
- 18 state treasurer, based upon information provided by the department of
- 19 revenue, must transfer from the general fund to the Washington equine
- 20 industry federal regulatory account created in section 3 of this act

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- an amount not to exceed \$1,500,000 per fiscal year directly derived from the imposition of state parimutuel and sales and use taxes in the previous calendar year for:
  - (a) Purchases made by or purchases sold and tax collected by a class 1 racing association;
    - (b) Taxes submitted to the commission under RCW 67.16.105; and
    - (c) Fees submitted to the commission under WAC 260-49-070.

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- 8 (2) Following each biennium, the amount not to exceed in 9 subsection (1) of this section may be reviewed and increased based on 10 inflationary calculations as determined by the department of revenue 11 and federal fee amounts as determined by the commission.
- NEW SECTION. Sec. 3. A new section is added to chapter 67.16 13 RCW to read as follows:
- The Washington equine industry federal regulatory account is 14 15 created in the state treasury. All receipts transferred to the 16 account under section 2 of this act must be deposited into the 17 account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only to pay fees charged by 18 the federal horseracing integrity safety authority or direct required 19 20 costs as determined by the commission pursuant to the horseracing 21 integrity and safety act of 2020, 15 U.S.C. Sec. 3051 et seq., as 22 amended.

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