

WSR 21-21-055

PROPOSED RULES

HORSE RACING COMMISSION

[Filed October 15, 2021, 9:33 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 21-18-120.

Title of Rule and Other Identifying Information: WAC 260-49-070
Distribution of source market fees.

Hearing Location(s): On November 23, 2021, at 9:30 a.m., via Zoom teleconference. Link will be available at www.whrc.wa.gov prior to hearing.

Date of Intended Adoption: January 1, 2022.

Submit Written Comments to: Douglas L. Moore, 6326 Martin Way, Suite 209, Olympia, WA 98516, email doug.moore@whrc.state.wa.us, fax 360-549-6461 [360-459-6461], by November 1, 2021.

Assistance for Persons with Disabilities: Contact Melanie Bowdish, phone 360-459-6462, fax 360-459-6461, email melanie.bowdish@whrc.state.wa.us, by November 1, 2021.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: To amend the percentage of distribution of the source market fees to offset additional pari-mutuel tax increase.

Reasons Supporting Proposal: Continuing current distributions create a negative financial impact on stakeholders created by reducing purses and operating capital for the racing association.

Statutory Authority for Adoption: RCW 67.16.020.

Rule is not necessitated by federal law, federal or state court decision.

Name of Agency Personnel Responsible for Drafting, Implementation, and Enforcement: Douglas L. Moore, 6326 Martin Way, Suite 209, Olympia, WA 98516, 360-459-6462.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328.

The proposed rule does not impose more-than-minor costs on businesses. Following is a summary of the agency's analysis showing how costs were calculated. Not business related.

October 15, 2021
Douglas L. Moore
Executive Secretary

OTS-3333.1

AMENDATORY SECTION (Amending WSR 20-19-062, filed 9/11/20, effective 10/12/20)

WAC 260-49-070 Distribution of source market fee. (1) A source market fee shall be paid monthly, unless otherwise directed by the commission, for the source market fee area on all accounts that have Washington as the principal residence address.

(2) The authorized advance deposit wagering service provider shall, at least monthly, unless otherwise directed by the commission, distribute the total source market fee as follows:

(a) (~~Ninety~~) One hundred percent of the total source market fee directly to the class 1 racing association (~~and the remaining ten percent directly to the commission~~).

(b) The class 1 racing association shall submit monthly (~~two and one-half~~) eight percent of the total source market fee to the commission of which two and one-half percent to be deposited into the Washington bred owners' bonus fund and five and one-half percent to be deposited into the commission's operating account.

(c) The class 1 racing association shall distribute two and one-half percent of the total source market fee to the Washington bred breeder award account as provided in RCW 67.16.175.

(d) The class 1 racing association and the recognized horsemen's organization shall negotiate a separate agreement for contributions to the purse account from the source market fee and submit the agreement for review and approval by the commission. The class 1 racing association shall distribute the horsemen's share of the source market fee in accordance with the horseman's agreement.

(3) The commission shall annually review the distribution of the source market fee. Any changes to the distribution shall be adopted by rule.

[Statutory Authority: RCW 67.16.020. WSR 20-19-062, § 260-49-070, filed 9/11/20, effective 10/12/20; WSR 11-17-056, § 260-49-070, filed 8/15/11, effective 9/15/11. Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 09-21-015, § 260-49-070, filed 10/9/09, effective 11/9/09; WSR 05-19-015, § 260-49-070, filed 9/9/05, effective 10/10/05. Statutory Authority: RCW 67.16.020. WSR 04-21-053, § 260-49-070, filed 10/18/04, effective 11/18/04.]