SENATE BILL REPORT

ESB 6333

AS PASSED SENATE, FEBRUARY 7, 1994

Brief Description: Promoting economic development.

SPONSORS: Senators Skratek, Gaspard, Quigley, Sheldon, Vognild, M. Rasmussen, McAuliffe, Wojahn, Drew, Snyder and Winsley

SENATE COMMITTEE ON TRADE, TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Skratek, Chairman; Sheldon, Vice Chairman; Bluechel, Cantu, Erwin and M. Rasmussen.

Staff: Traci Ratzliff (786-7452)

Hearing Dates: January 25, 1994; January 26, 1994

BACKGROUND:

In 1990, Longacres Race Track was sold to the Boeing Company. Live racing at Longacres was discontinued after the 1992 racing season.

The Washington State Horse Racing Commission has the sole authority to approve an application for entities desiring to operate a live race meet in this state. The commission has attempted, since 1991, to award racing dates to a new entity desiring to construct and operate a new race track in western Washington. On January 22, 1992, the commission awarded a license and race dates to Northwest Thoroughbred Racing Association which sought to construct and operate a race track in Fife. This group was not able to secure the necessary finances and withdrew its application for a license on June 1, 1992.

On April 20, 1993, the commission issued an order awarding a conditional license and 1995 race dates to the Northwest Racing Associates (NRA) which seeks to construct and operate a race track in Auburn. This order is contingent on the NRA making reasonable and acceptable progress in securing needed permits for the project. The NRA project has suffered a number of delays and setbacks related to the presence of wetlands at the proposed race site. In December of 1993, the Corps of Engineers ordered the NRA to conduct a federal environmental impact statement (FEIS). The completion of the FEIS will likely postpone the potential operation of live racing at the Auburn site until 1996.

Concerns have been voiced that the industry cannot survive two additional years without live racing in western Washington and that prompt action needs to be taken to identify other viable

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applicants and sites for the construction of a new race track in western Washington.

SUMMARY:

The Governor is directed to appoint a thoroughbred racing preservation fact-finding panel to develop the steps, strategies and time line necessary to preserve the live horse racing industry in this state. The panel must be appointed within 30 days of the enactment of the legislation. The panel is directed to identify the key public policy issues inherent in the siting of a new race track and determine the factors necessary at a chosen site to ensure the public policy issues identified are adequately addressed.

The panel must forward recommendations, including site specific recommendations, to the Governor and the Horse Racing Commission within 90 days of appointment.

The panel consists of representatives from the horse racing industry, the building construction industry, and selected state and local government agencies. None of the members of the panel shall have any personal or financial interest in the siting of a new race track at a particular location. The Governor is authorized to appoint a nonvoting, neutral member of the panel to act as chair.

The panel expires July 1, 1994.

Appropriation: none

Revenue: none

Fiscal Note: requested

Effective Date: The bill contains an emergency clause and takes effect immediately.

TESTIMONY FOR:

This bill provides for an objective evaluation of potential alternatives for a track in western Washington if the Auburn site cannot get appropriate permits. The horse racing industry needs to know an alternative location exists for a race track, if the Auburn site is denied permits. The panel created in the bill will also help to identify what the horse racing industry is to do in the interim before a new race track is built.

TESTIMONY AGAINST:

This bill is unnecessary. The Corps of Engineers will complete its alternative analysis within 60 days. We'll all know then whether an alternative site for a new track is needed or not.

TESTIFIED: PRO: Fred Foy; Carl Olson; Roz Bowen, HORSE; Eileen Chambers; Bill Bunchfield; David Doutrich; Frederick Pabst,

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Washington Thoroughbred Breeders Association; Dr. Jack Lein; Jack McCann; John Parks, Colony Farms Group; Bryson Cooper; Jeff Eustis, Citizen's Alliance to Protect Our Wetlands; Jim Johnson, Northwest Racing Association; CON: Chris Clifford

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