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ENGROSSED SUBSTITUTE HOUSE BILL 3045

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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

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

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

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

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

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

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

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

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

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

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

22 (8) This section does not establish a new form of gaming in  
23 Washington or allow expanded gaming within the state beyond what has  
24 been previously authorized. Simulcast wagering has been allowed in  
25 Washington before April 19, 1997. Therefore, this section does not  
26 allow gaming of any nature or scope that was prohibited before April  
27 19, 1997. This section is necessary to protect the Washington equine  
28 breeding and racing industries, and in particular those sectors of  
29 these industries that are dependent upon live horse racing. The  
30 purpose of this section is to protect these industries from adverse  
31 economic impacts and to promote fan attendance at class 1 racing  
32 facilities. Therefore, imported simulcast race card programs shall not  
33 be disseminated to any location outside the live racing facility of the  
34 class 1 racing association and a class 1 racing association is strictly  
35 prohibited from simulcasting imported race card programs to any  
36 location outside its live racing facility.

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