
ENGROSSED SUBSTITUTE HOUSE BILL 1571

State of Washington

57th Legislature

2001 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Wood, Clements and Conway)

READ FIRST TIME 02/23/01.

1 AN ACT Relating to changing provisions relating to the import
2 of simulcast horse races from out-of-state racing facilities to
3 class 1 racing associations' live racing facilities; and amending
4 RCW 67.16.200.

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

6 **Sec. 1.** RCW 67.16.200 and 2000 c 223 s 1 are each amended to read
7 as follows:

8 (1) A racing association licensed by the commission to conduct
9 a race meet may seek approval from the commission to conduct
10 parimutuel wagering on its program at a satellite location or
11 locations within the state of Washington. The sale of parimutuel
12 pools at satellite locations shall be conducted only during the
13 licensee's race meet and simultaneous to all parimutuel wagering
14 activity conducted at the licensee's live racing facility in the
15 state of Washington. The commission's authority to approve
16 satellite wagering at a particular location is subject to the
17 following limitations:

18 (a) The commission may approve only one satellite location in

1 each county in the state; however, the commission may grant
2 approval for more than one licensee to conduct wagering at each
3 satellite location. A satellite location shall not be operated
4 within twenty driving miles of any class 1 racing facility. For the
5 purposes of this section, "driving miles" means miles measured by
6 the most direct route as determined by the commission; and

7 (b) A licensee shall not conduct satellite wagering at any
8 satellite location within sixty driving miles of any other racing
9 facility conducting a live race meet.

10 (2) Subject to local zoning and other land use ordinances, the
11 commission shall be the sole judge of whether approval to conduct
12 wagering at a satellite location shall be granted.

13 (3) The licensee shall combine the parimutuel pools of the
14 satellite location with those of the racing facility for the
15 purpose of determining odds and computing payoffs. The amount
16 wagered at the satellite location shall be combined with the
17 amount wagered at the racing facility for the application of take
18 out formulas and distribution as provided in RCW 67.16.102,
19 67.16.105, 67.16.170, and 67.16.175. A satellite extension of the
20 licensee's racing facility shall be subject to the same
21 application of the rules of racing as the licensee's racing
22 facility.

23 (4) Upon written application to the commission, a class 1
24 racing association may be authorized to transmit simulcasts of
25 live horse races conducted at its racetrack to locations outside
26 of the state of Washington approved by the commission and in
27 accordance with the interstate horse racing act of 1978 (15 U.S.C.
28 Sec. 3001 to 3007) or any other applicable laws. The commission may
29 permit parimutuel pools on the simulcast races to be combined in a
30 common pool. A racing association that transmits simulcasts of its
31 races to locations outside this state shall pay at least fifty
32 percent of the fee that it receives for sale of the simulcast
33 signal to the horsemen's purse account for its live races after
34 first deducting the actual cost of sending the signal out of
35 state.

36 (5) Upon written application to the commission, a class 1
37 racing association may be authorized to transmit simulcasts of
38 live horse races conducted at its racetrack to licensed racing

1 associations located within the state of Washington and approved
2 by the commission for the receipt of the simulcasts. The commission
3 shall permit parimutuel pools on the simulcast races to be
4 combined in a common pool. The fee for in-state, track-to-track
5 simulcasts shall be five and one-half percent of the gross
6 parimutuel receipts generated at the receiving location and
7 payable to the sending racing association. A racing association
8 that transmits simulcasts of its races to other licensed racing
9 associations shall pay at least fifty percent of the fee that it
10 receives for the simulcast signal to the horsemen's purse account
11 for its live race meet after first deducting the actual cost of
12 sending the simulcast signal. A racing association that receives
13 races simulcast from class 1 racing associations within the state
14 shall pay at least fifty percent of its share of the parimutuel
15 receipts to the horsemen's purse account for its live race meet
16 after first deducting the purchase price and the actual direct
17 costs of importing the race.

18 (6) A class 1 racing association may be allowed to import
19 simulcasts of horse races from out-of-state racing facilities.
20 With the prior approval of the commission, the class 1 racing
21 association may participate in an interstate common pool and may
22 change its commission and breakage rates to achieve a common rate
23 with other participants in the common pool.

24 (a) The class 1 racing association shall make written
25 application with the commission for permission to import simulcast
26 horse races for the purpose of parimutuel wagering. Subject to the
27 terms of this section, the commission is the sole authority in
28 determining whether to grant approval for an imported simulcast
29 race.

30 (b) ~~((During the conduct of its race meeting, a class 1 racing
31 association may be allowed to import no more than one simulcast
32 race card program during each live race day.))~~ A licensed racing
33 association may also be approved to import one simulcast race of
34 regional or national interest on each live race day. ~~((A class 1
35 racing association may be permitted to import two simulcast
36 programs on two nonlive race days per each week during its live
37 meet. A licensee shall not operate parimutuel wagering on more than
38 five days per week. Parimutuel wagering on imported simulcast~~

1 ~~programs shall only be conducted at the live racing facility of a~~
2 ~~class 1 racing association.))~~

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

7 (d) When open for parimutuel wagering, a class 1 racing
8 association which imports simulcast races shall also conduct
9 simulcast parimutuel wagering within its licensed racing enclosure
10 on all races simulcast from other class 1 racing associations
11 within the state of Washington.

12 ~~((When not conducting a live race meeting, a class 1 racing~~
13 ~~association may be approved to conduct simulcast parimutuel~~
14 ~~wagering on imported simulcast races.))~~ The conduct of
15 ~~((simulcast))~~ parimutuel wagering on ~~((the))~~ imported simulcast
16 races shall be for not more than fourteen hours during any twenty-
17 four hour period, for not more than five days per week and only at
18 ~~((its))~~ the live racing facility of a class 1 racing association.

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

24 (7) For purposes of this section, a class 1 racing association
25 is defined as a licensee approved by the commission to conduct
26 during each twelve-month period at least forty days of live
27 racing. If a live race day is canceled due to reasons directly
28 attributable to acts of God, labor disruptions affecting live race
29 days but not directly involving the licensee or its employees, or
30 other circumstances that the commission decides are beyond the
31 control of the class 1 racing association, then the canceled day
32 counts toward the forty-day requirement. The commission may by rule
33 increase the number of live racing days required to maintain class
34 1 racing association status or make other rules necessary to
35 implement this section.

36 (8) This section does not establish a new form of gaming in
37 Washington or allow expanded gaming within the state beyond what
38 has been previously authorized. Simulcast wagering has been allowed

1 in Washington before April 19, 1997. Therefore, this section does
2 not allow gaming of any nature or scope that was prohibited before
3 April 19, 1997. This section is necessary to protect the Washington
4 equine breeding and racing industries, and in particular those
5 sectors of these industries that are dependent upon live horse
6 racing. The purpose of this section is to protect these industries
7 from adverse economic impacts and to promote fan attendance at
8 class 1 racing facilities. Therefore, imported simulcast race card
9 programs shall not be disseminated to any location outside the
10 live racing facility of the class 1 racing association and a class
11 1 racing association is strictly prohibited from simulcasting
12 imported race card programs to any location outside its live
13 racing facility.

14 (9) A licensee shall include the following statement in any
15 advertising or promotion of a simulcast race conducted by the
16 licensee:

17 "CAUTION: Participation in gambling activity may result in
18 pathological gambling behavior causing emotional and financial
19 harm. For help, call 1-800-547-6133."

20 For purposes of this subsection, advertising includes print
21 media, point-of-sale advertising, electronic media, billboards,
22 and radio advertising.

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