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HOUSE BILL 1793

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State of Washington

58th Legislature

2003 Regular Session

By Representative Wood

Read first time 02/10/2003. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to simulcast horse racing; and amending RCW  
2 67.16.010 and 67.16.200.

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

4 **Sec. 1.** RCW 67.16.010 and 1991 c 270 s 1 are each amended to read  
5 as follows:

6 ~~((Unless the context otherwise requires, words and phrases as used  
7 herein shall mean:))~~ The definitions in this section apply throughout  
8 this chapter unless the context clearly requires otherwise.

9 (1) "Commission" ((shall)) means the Washington horse racing  
10 commission(, hereinafter created).

11 (2) "Driving miles" means miles measured by the most direct route  
12 as determined by the commission.

13 (3) "Parimutuel machine" ((shall)) means and includes both machines  
14 at the track and machines at the satellite locations, that record  
15 parimutuel bets and compute the payoff.

16 (4) "Person" ((shall)) means and includes individuals, firms,  
17 corporations and associations.

18 (5) "Race meet" ((shall)) means and includes any exhibition of

1 thoroughbred, quarter horse, paint horse, appaloosa horse racing,  
2 arabian horse racing, or standard bred harness horse racing, where the  
3 parimutuel system is used.

4 (6) "Satellite extension" means a satellite facility where a class  
5 1 racing association conducts parimutuel wagering on its live race card  
6 and imported simulcast races.

7 Singular shall include the plural, and the plural shall include the  
8 singular; and words importing one gender shall be regarded as including  
9 all other genders.

10 **Sec. 2.** RCW 67.16.200 and 2001 1st sp.s. c 10 s 2 are each amended  
11 to read as follows:

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

21 (a) The commission may approve only one satellite location in each  
22 county in the state; however, the commission may grant approval for  
23 more than one licensee to conduct wagering at each satellite location.  
24 A satellite location shall not be operated:

25 (i) Within twenty driving miles of any class 1 racing facility((~~-~~  
26 ~~For the purposes of this section, "driving miles" means miles measured~~  
27 ~~by the most direct route as determined by the commission))~~; and

28 (ii) Within five miles of any class 1 racing facility located east  
29 of the crest of the Cascade mountains; and

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

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

36 (3) The licensee shall combine the parimutuel pools of the  
37 satellite location with those of the racing facility for the purpose of

1 determining odds and computing payoffs. The amount wagered at the  
2 satellite location shall be combined with the amount wagered at the  
3 racing facility for the application of take out formulas and  
4 distribution as provided in RCW 67.16.102, 67.16.105, 67.16.170, and  
5 67.16.175. A satellite extension of the licensee's racing facility  
6 shall be subject to the same application of the rules of racing as the  
7 licensee's racing facility.

8 (4) Upon written application to the commission, a class 1 racing  
9 association may be authorized to transmit simulcasts of live horse  
10 races conducted at its racetrack to locations outside of the state of  
11 Washington approved by the commission and in accordance with the  
12 interstate horse racing act of 1978 (15 U.S.C. Sec. 3001 to 3007) or  
13 any other applicable laws. The commission may permit parimutuel pools  
14 on the simulcast races to be combined in a common pool. A racing  
15 association that transmits simulcasts of its races to locations outside  
16 this state shall pay at least fifty percent of the fee that it receives  
17 for sale of the simulcast signal to the horsemen's purse account for  
18 its live races after first deducting the actual cost of sending the  
19 signal out of state.

20 (5) Upon written application to the commission, a class 1 racing  
21 association may be authorized to transmit simulcasts of live horse  
22 races conducted at its racetrack to licensed racing associations  
23 located within the state of Washington and approved by the commission  
24 for the receipt of the simulcasts. The commission shall permit  
25 parimutuel pools on the simulcast races to be combined in a common  
26 pool. The fee for in-state, track-to-track simulcasts shall be five  
27 and one-half percent of the gross parimutuel receipts generated at the  
28 receiving location and payable to the sending racing association. A  
29 racing association that transmits simulcasts of its races to other  
30 licensed racing associations shall pay at least fifty percent of the  
31 fee that it receives for the simulcast signal to the horsemen's purse  
32 account for its live race meet after first deducting the actual cost of  
33 sending the simulcast signal. A racing association that receives races  
34 simulcast from class 1 racing associations within the state shall pay  
35 at least fifty percent of its share of the parimutuel receipts to the  
36 horsemen's purse account for its live race meet after first deducting  
37 the purchase price and the actual direct costs of importing the race.

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

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

12 (b) A licensed racing association may also be approved to import  
13 one simulcast race of regional or national interest on each live race  
14 day.

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

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

23 (e) The conduct of parimutuel wagering on imported simulcast races  
24 shall be for not more than fourteen hours during any twenty-four hour  
25 period, for not more than five days per week and only at the live  
26 racing facility of a class 1 racing association.

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

32 (7) For purposes of this section, a class 1 racing association is  
33 defined as a licensee approved by the commission to conduct during each  
34 twelve-month period at least forty days of live racing and satellite  
35 extensions of the licensee's racing facility east of the crest of the  
36 Cascade mountains. If a live race day is canceled due to reasons  
37 directly attributable to acts of God, labor disruptions affecting live  
38 race days but not directly involving the licensee or its employees, or

1 other circumstances that the commission decides are beyond the control  
2 of the class 1 racing association, then the canceled day counts toward  
3 the forty-day requirement. The commission may by rule increase the  
4 number of live racing days required to maintain class 1 racing  
5 association status or make other rules necessary to implement this  
6 section.

7 (8) This section does not establish a new form of gaming in  
8 Washington or allow expanded gaming within the state beyond what has  
9 been previously authorized. Simulcast wagering has been allowed in  
10 Washington before April 19, 1997. Therefore, this section does not  
11 allow gaming of any nature or scope that was prohibited before April  
12 19, 1997. This section is necessary to protect the Washington equine  
13 breeding and racing industries, and in particular those sectors of  
14 these industries that are dependent upon live horse racing. The  
15 purpose of this section is to protect these industries from adverse  
16 economic impacts and to promote fan attendance at class 1 racing  
17 facilities. Therefore, imported simulcast race card programs shall not  
18 be disseminated to any location outside the live racing facility of the  
19 class 1 racing association and a class 1 racing association is strictly  
20 prohibited from simulcasting imported race card programs to any  
21 location outside its live racing facility.

22 (9) A licensee conducting simulcasting under this section shall  
23 place signs in the licensee's gambling establishment under RCW  
24 9.46.071. The informational signs concerning problem and compulsive  
25 gambling must include a toll-free telephone number for problem and  
26 compulsive gamblers and be developed under RCW 9.46.071.

27 (10) Chapter 10, Laws of 2001 1st sp. sess. does not establish a  
28 new form of gaming in Washington or allow expanded gaming within the  
29 state beyond what has been previously authorized. Simulcast wagering  
30 has been allowed in Washington before August 23, 2001. Therefore, this  
31 section does not allow gaming of any nature or scope that was  
32 prohibited before August 23, 2001. Chapter 10, Laws of 2001 1st sp.  
33 sess. is necessary to protect the Washington equine breeding and racing  
34 industries, and in particular those sectors of these industries that  
35 are dependent upon live horse racing. The purpose of chapter 10, Laws  
36 of 2001 1st sp. sess. is to protect these industries from adverse  
37 economic impacts and to promote fan attendance at class 1 racing  
38 facilities. Therefore, imported simulcast race card programs shall not

1 be disseminated to any location outside the live racing facility of the  
2 class 1 racing association and a class 1 racing association is strictly  
3 prohibited from simulcasting imported race card programs to any  
4 location outside its live racing facility.

5 (11) If a state or federal court makes a finding that the increase  
6 in the number of imported simulcast races that may be authorized under  
7 chapter 10, Laws of 2001 1st sp. sess. is an expansion of gaming beyond  
8 that which is now allowed, chapter 10, Laws of 2001 1st sp. sess. is  
9 null and void.

10 (12) If any provision of chapter 10, Laws of 2001 1st sp. sess. or  
11 its application to any person or circumstance is held invalid, the  
12 remainder of chapter 10, Laws of 2001 1st sp. sess. or the application  
13 of the provision to other persons or circumstances is also invalid.

14 (13) This act does not establish a new form of gaming in Washington  
15 or allow expanded gaming within the state beyond what has been  
16 previously authorized. Simulcast wagering has been allowed in  
17 Washington before April 19, 1997, and satellite wagering has been  
18 allowed since 1988. Therefore, this section does not allow gaming of  
19 any nature or scope that was prohibited before August 23, 2001. This  
20 act is necessary to protect the Washington equine breeding and racing  
21 industries in eastern Washington, and in particular those sectors of  
22 these industries that are dependent upon live horse racing. The  
23 purpose of this act is to protect these industries from adverse  
24 economic impacts and to promote attendance at class 1 racing  
25 facilities. The more sparse population of eastern Washington poses  
26 special challenges to operating a class 1 racing association in eastern  
27 Washington. Wagering on simulcasting at satellite extensions increases  
28 the purse at the race tracks, allowing class 1 racing associations in  
29 eastern Washington to offer owners and breeders who race at tracks in  
30 eastern Washington a purse similar to those offered by other racing  
31 associations. Therefore, imported simulcast race card programs shall  
32 not be disseminated to any location outside the live racing facility of  
33 the class 1 racing association except for satellite extensions east of  
34 the crest of the Cascade mountains and a class 1 racing association is  
35 strictly prohibited from simulcasting imported race card programs to  
36 any location outside its live racing facility except for satellite  
37 extensions located east of the crest of the Cascade mountains.

1       (14) If a state or federal court makes a finding that the increase  
2 in the number of imported simulcast races that may be authorized under  
3 this act is an expansion of gaming beyond that which is now allowed,  
4 this act is null and void.

5       (15) If any provision of this act or its application to any person  
6 or circumstance is held invalid, the remainder of this act or the  
7 application of the provision to other persons or circumstances is also  
8 invalid.

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