
Commerce & Labor Committee

SB 5125

Brief Description: Concerning the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account.

Sponsors: Senators Hewitt and Kohl-Welles; by request of Horse Racing Commission.

Brief Summary of Bill

- Provides that amounts retained by racing associations for Washington-bred breeder awards must be deposited by the Washington Horse Racing Commission (Commission) into an account and specifies that the Commission must use the amounts for the breeder awards.

Hearing Date: 3/13/09

Staff: Joan Elgee (786-7106)

Background:

The Washington Horse Racing Commission (Commission) regulates horse racing in Washington. The Commission licenses facilities, as well as owners, trainers, jockeys, and others who participate in horse racing. Emerald Downs is the only for-profit racing association licensee in the state.

State law provides for owner bonuses and breeder awards for Washington-bred horses placing at for-profit race meets. The owner bonus is paid by the Commission to owners of Washington-bred horses finishing first, second, third, and fourth in a race. The licensee retains 1 percent of the gross receipts and the Commission deposits the receipts into the Washington Bred Owners' Bonus Fund Account, a non-appropriated account.

A licensee may also retain 1 percent of receipts from exotic (multiple) wagers to be used for Washington-bred breeder awards. Of the amounts retained for breeder awards, the track retains 25 percent for capital purposes. Source market fees from advance-deposit wagering are added to

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the breeder awards. By rule, breeder awards are awarded to first, second, and third place finishers. Unlike owner bonuses, the breeder awards are not required to be placed in an account and distributed by the Commission. In 2007 the Commission conducted a study of the processing of owner bonuses and breeder awards.

Summary of Bill:

The Washington Horse Racing Commission (Commission) Washington-bred owners' bonus fund is renamed to include breeder awards. The amounts retained from race meets for breeder awards must be paid to the Commission and deposited into the account. The amounts must be used by the Commission for breeder awards, in accordance with rules and qualifications adopted by the Commission.

Rules Authority: The bill contains a provision authorizing the exercise of rule-making authority by the Washington Horse Racing Commission.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 4, which renames the Washington Bred Owners' Bonus Fund Account for purposes of retention of earnings, and takes effect August 1, 2009.