

HOUSE BILL REPORT

HB 2125

As Reported by House Committee On:

Appropriations Subcommittee on General Government & Information Technology

Title: An act relating to removing the requirements that all fines collected be credited to the Washington horse racing commission class C purse fund account.

Brief Description: Removing the requirements that all fines collected be credited to the Washington horse racing commission class C purse fund account.

Sponsors: Representatives Schmick, Cody and Buys; by request of Horse Racing Commission.

Brief History:

Committee Activity:

Appropriations Subcommittee on General Government & Information Technology:
1/29/14 [DPS].

Brief Summary of Substitute Bill

- Removes the requirement that fines collected by the Washington Horse Racing Commission be deposited into the Class C Purse Fund Account.
- Specifies that fine receipts must be credited to the Horse Racing Commission Operating Account and used to support nonprofit racing.

HOUSE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT & INFORMATION TECHNOLOGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Hudgins, Chair; Parker, Ranking Minority Member; Buys, Christian, Dunshee, S. Hunt, Jinkins, Springer and Taylor.

Staff: Derek Rutter (786-7157).

Background:

The Washington Horse Racing Commission (Commission) is responsible for licensing, regulating, and supervising horse racing in the state.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Commission may collect fines from licensees who violate Commission rules. Receipts from these fines must be credited to the Class C Purse Fund. The Class C Purse Fund also receives one-tenth of 1 percent of daily gross receipts of in-state pari-mutuel machines and is used for purse awards for qualifying nonprofit race meets.

Summary of Substitute Bill:

Receipts from fines must be deposited and retained in the Horse Racing Commission Operating Account and used to support nonprofit racing.

Substitute Bill Compared to Original Bill:

The original bill removed the requirement that fines be credited to the Class C Purse Fund, but did not specify a new destination fund for these receipts. The substitute bill specifies that fine receipts must be credited to the Horse Racing Commission Operating Account.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) There is a drafting error in the original bill; money from fines is intended to be for the Horse Racing Commission Operating Account, not the State General Fund.

This is a "housekeeping bill" that cleans up statute to align with the intent of legislation passed in 2011. The money will still be used to support Class C (nonprofit) racing, but stakeholders have expressed that operational support is more important to that end than purse money.

(Opposed) None.

Persons Testifying: Doug Moore, Washington Horse Racing Commission; and Jim Halstrom, Northwest Racing Emerald Downs.

Persons Signed In To Testify But Not Testifying: None.