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HOUSE BILL 1442

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State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Schmick, Cody, Hunt, Condotta, Blake, and Sullivan

Read first time 01/28/13.      Referred to Committee on Government  
Accountability & Oversight.

1            AN ACT Relating to providing increased access to parimutuel  
2 satellite locations in counties with a population exceeding one  
3 million; and amending RCW 67.16.200.

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

5            **Sec. 1.** RCW 67.16.200 and 2007 c 100 s 1 are each amended to read  
6 as follows:

7            (1) A class 1 racing association licensed by the commission to  
8 conduct a race meet may seek approval from the commission to conduct  
9 parimutuel wagering at a satellite location or locations within the  
10 state of Washington. In order to participate in parimutuel wagering at  
11 a satellite location or locations within the state of Washington, the  
12 holder of a class 1 racing association license must have conducted at  
13 least one full live racing season. All class 1 racing associations  
14 must hold a live race meet within each succeeding twelve-month period  
15 to maintain eligibility to continue to participate in parimutuel  
16 wagering at a satellite location or locations. The sale of parimutuel  
17 pools at satellite locations shall be conducted simultaneous to all  
18 parimutuel wagering activity conducted at the licensee's live racing

1 facility in the state of Washington. The commission's authority to  
2 approve satellite wagering at a particular location is subject to the  
3 following limitations:

4 (a) The commission may approve only one satellite location in each  
5 county in the state; provided however, the commission may approve two  
6 satellite locations in counties with a population exceeding one  
7 million. The commission may grant approval for more than one licensee  
8 to conduct wagering at each satellite location. A satellite location  
9 shall not be operated within twenty driving miles of any class 1 racing  
10 facility. For the purposes of this section, "driving miles" means  
11 miles measured by the most direct route as determined by the  
12 commission; and

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

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

19 (3) The licensee shall combine the parimutuel pools of the  
20 satellite location with those of the racing facility for the purpose of  
21 determining odds and computing payoffs. The amount wagered at the  
22 satellite location shall be combined with the amount wagered at the  
23 racing facility for the application of take out formulas and  
24 distribution as provided in RCW 67.16.102, 67.16.105, 67.16.170, and  
25 67.16.175. A satellite extension of the licensee's racing facility  
26 shall be subject to the same application of the rules of racing as the  
27 licensee's racing facility.

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

1 its live races after first deducting the actual cost of sending the  
2 signal out of state.

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

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

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

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

36 (c) On any imported simulcast race, the class 1 racing association  
37 shall pay fifty percent of its share of the parimutuel receipts to the

1 horsemen's purse account for its live race meet after first deducting  
2 the purchase price of the imported race and the actual costs of  
3 importing and offering the race.

4 (7) A licensed nonprofit racing association may be approved to  
5 import one simulcast race of regional or national interest on each live  
6 race day.

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

18 (9) This section does not establish a new form of gaming in  
19 Washington or allow expanded gaming within the state beyond what has  
20 been previously authorized. Simulcast wagering has been allowed in  
21 Washington before April 19, 1997. Therefore, this section does not  
22 allow gaming of any nature or scope that was prohibited before April  
23 19, 1997. This section is necessary to protect the Washington equine  
24 breeding and racing industries, and in particular those sectors of  
25 these industries that are dependent upon live horse racing. The  
26 purpose of this section is to protect these industries from adverse  
27 economic impacts and to promote fan attendance at class 1 racing  
28 facilities. Therefore, a licensed class 1 racing association may be  
29 approved to disseminate imported simulcast race card programs to  
30 satellite locations approved under this section, provided that the  
31 class 1 racing association has conducted at least forty live racing  
32 days with an average on-track handle on the live racing product of a  
33 minimum of one hundred fifty thousand dollars per day during the twelve  
34 months immediately preceding the application date. However, to promote  
35 the development of a new class 1 racing association facility and to  
36 meet the best interests of the Washington equine breeding and racing  
37 industries, the commission may by rule reduce the required minimum

1 average on-track handle on the live racing product from one hundred  
2 fifty thousand dollars per day to thirty thousand dollars per day.

3 (10) A licensee conducting simulcasting under this section shall  
4 place signs in the licensee's gambling establishment under RCW  
5 9.46.071. The informational signs concerning problem and compulsive  
6 gambling must include a toll-free telephone number for problem and  
7 pathological gamblers and be developed under RCW 9.46.071.

8 (11) Chapter 10, Laws of 2001 1st sp. sess. does not establish a  
9 new form of gaming in Washington or allow expanded gaming within the  
10 state beyond what has been previously authorized. Simulcast wagering  
11 has been allowed in Washington before August 23, 2001. Therefore, this  
12 section does not allow gaming of any nature or scope that was  
13 prohibited before August 23, 2001. Chapter 10, Laws of 2001 1st sp.  
14 sess. is necessary to protect the Washington equine breeding and racing  
15 industries, and in particular those sectors of these industries that  
16 are dependent upon live horse racing. The purpose of chapter 10, Laws  
17 of 2001 1st sp. sess. is to protect these industries from adverse  
18 economic impacts and to promote fan attendance at class 1 racing  
19 facilities.

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