

# FINAL BILL REPORT

## HB 1022

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Synopsis as Enacted

**Brief Description:** Modifying Washington state horse racing commission provisions.

**Sponsors:** Representatives MacEwen, Kloba, Peterson, Kirby and Schmick; by request of Horse Racing Commission.

**House Committee on Commerce & Gaming**

**House Committee on Appropriations**

**Senate Committee on Labor, Commerce & Tribal Affairs**

**Background:**

The Washington Horse Racing Commission (Commission) is responsible for licensing, regulating, and supervising all race meets held in Washington where the parimutuel system of betting is used.

Betting or wagering on a horse race is lawful in Washington only by the parimutuel method. In general, the parimutuel method is a wagering system in which the bets of a particular type are pooled, taxes and commissions are removed, and payoffs are calculated by sharing the pool among all of the winning bets.

Licensed horse race meet operators must withhold and pay to the Commission a parimutuel tax for each authorized day of parimutuel wagering. The parimutuel tax is a specified percentage of all the licensees' daily gross receipts from the licensees' in-state parimutuel machines. Licensees of race meets that are nonprofit in nature and last no more than 10 days are exempt from payment of a parimutuel tax.

The receipts from the parimutuel tax must be deposited in the Washington Horse Racing Commission Operating Account (Account), in addition to any gifts, grants, or endowments the Commission receives. The Commission, or the Commission's designee, may authorize expenditures from the Account. Moneys in the Account must be used for the Commission's operating expenses, except as otherwise required in the terms of a gift, grant, or endowment.

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

All sums paid to the Commission, except for sums collected from nonprofit race meets and Washington-bred-only horse race payments, must be retained by the Commission for the payment of salaries to its members, secretary, clerical and office expenses, and all other expenses incurred.

The state may not pay for salary, wages, expenses, or compensation, of any kind, in connection with the work of the Commission.

**Summary:**

The provision prohibiting the state from paying any salary, wages, expenses, or compensation in connection with the work of the Commission is removed.

The provisions of the act expire June 30, 2023.

**Votes on Final Passage:**

House	92	3	
Senate	49	0	(Senate amended)
House			(House refused to concur in Senate amendments/asked Senate to recede from amendments)
Senate			(Senate insisted on its position/asked House to concur)
House	93	4	(House concurred)

**Effective:** July 25, 2021