
HOUSE BILL 1529

State of Washington

68th Legislature

2023 Regular Session

By Representatives Stearns, Schmick, Robertson, Stokesbary, Peterson, Riccelli, Bergquist, and Kloba

Read first time 01/24/23. Referred to Committee on Appropriations.

1 AN ACT Relating to providing supplementary funding to support
2 horse racing and the recreational use of horses in Washington;
3 amending RCW 67.16.050 and 67.16.280; adding a new section to chapter
4 82.08 RCW; adding a new section to chapter 67.16 RCW; repealing RCW
5 67.16.105; and declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08
8 RCW to read as follows:

9 (1) By July 1, 2023, and by July 1st of each year thereafter, the
10 state treasurer, based upon information provided by the department,
11 must transfer from the general fund to the Washington equine industry
12 reinvestment account created in section 2 of this act, an amount not
13 to exceed \$6,000,000 per fiscal year directly derived from the
14 imposition of state sales and use taxes charged or levied on the
15 following equine products, services, or uses:

16 (a) Equines;

17 (b) Equine feed;

18 (c) Prescription drugs, over-the-counter drugs, or dietary
19 supplements dispensed or to be dispensed to equines;

20 (d) Equine tack which includes, but is not limited to, equipment
21 used to ride or care for an equine such as saddles, driving

1 harnesses, girths, cinches, bridles, martingales, halters, lead
2 ropes, whips, long reins, wraps, and other items used in handling and
3 caring for equines;

4 (e) Horse bedding and grooming supplies;

5 (f) Other taxable sales directly related to equine ownership,
6 riding, or boarding; and

7 (g) Sale of horses including equines claimed at class 1 and class
8 C regulated race meets.

9 (2) For purposes of this section, "equine" and "equines" have the
10 meaning provided in RCW 4.24.530.

11 (3) Following each biennium the amount "not to exceed" in
12 subsection (1) of this section may be reviewed and increased based on
13 inflationary calculations as determined by the department.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 67.16
15 RCW to read as follows:

16 (1) The Washington equine industry reinvestment account is
17 created in the state treasury. All receipts transferred to the
18 account under legislative directive must be deposited into the
19 account. Moneys in the account may be spent only after appropriation.
20 Expenditures from the account may be used only to provide assistance
21 to legalized horse racing and the recreational use of horses in
22 Washington state.

23 (2) Beginning with the 2024 fiscal year, the legislature intends
24 to annually appropriate moneys in the Washington equine industry
25 reinvestment account as follows:

26 (a) An amount up to \$6,000,000 to the Washington horse racing
27 commission operating account in RCW 67.16.280 to fund the
28 commission's activities and operating costs with remaining funds
29 disbursed as provided in (b) of this subsection;

30 (b) After funding the commission's activities and operating costs
31 as provided in (a) of this subsection, the remaining funds must be
32 distributed as follows:

33 (i) 10 percent to support nonprofit class C race meets as
34 described in RCW 67.16.130;

35 (ii) 10 percent to supplement Washington-bred horses and breeders
36 consistent with RCW 67.16.075;

37 (iii) 10 percent to be awarded as grants to support equine
38 activities as defined in RCW 4.24.530;

1 (iv) 65 percent to class 1 racing associations allocated by
2 grants from the commission. Up to 25 percent of this allocation is
3 for programs to be used for assistance in shipping and recruitment of
4 horses to Washington from outside the state, with the remainder to be
5 used for equine health and safety programs, research, racetrack
6 surface improvements, and long-term maintenance of the racing
7 surface. Additional allocations may be made for veterinary staff,
8 racetrack security, on-duty paramedics, emergency medical
9 technicians, starting gate personnel, race day outriders, purchase of
10 track surface materials, and track safety maintenance equipment; and

11 (v) Five percent to the local affiliate and representative of
12 horsemen and women in Washington state, which on the effective date
13 of this section is the Washington horsemen's benevolent and
14 protective association, for grants to implement health and welfare
15 benevolent programs for eligible persons and families working in the
16 stable area at covered racetracks. Such programs may include, but are
17 not limited to, low-fee dental care, medical and burial assistance,
18 educational and recreational programs, disaster relief, as well as
19 assistance for labor and industries claim monitoring programs
20 currently in effect.

21 (3) If no race dates are awarded to a nonprofit class C race meet
22 as defined in RCW 67.16.130, the funds in subsection (2)(b)(i) of
23 this section may be distributed by grant from the commission to any
24 other use authorized in subsection (2)(b)(iv) of this section. Grants
25 for the nonprofit race meets may not exceed 10 percent of the funds
26 in subsection (2)(b)(i) of this section per race day. If there are
27 less than 10 nonprofit race days awarded, the remainder in this
28 section may be distributed by grant from the commission to any other
29 approved uses in this section based on greatest need.

30 **Sec. 3.** RCW 67.16.050 and 1997 c 87 s 2 are each amended to read
31 as follows:

32 Every person making application for license to hold a race meet,
33 under the provisions of this chapter shall file an application with
34 the commission which shall set forth the time, the place, the number
35 of days such meet will continue, and such other information as the
36 commission may require. The commission shall be the sole judge of
37 whether or not the race meet shall be licensed and the number of days
38 the meet shall continue. No person who has been convicted of any
39 crime involving moral turpitude shall be issued a license, nor shall

1 any license be issued to any person who has violated the terms or
2 provisions of this chapter, or any of the rules (~~and regulations~~)
3 of the commission made pursuant thereto, or who has failed to pay to
4 the commission any or all sums required under the provisions of this
5 chapter. The license shall specify the number of days the race meet
6 shall continue and the number of races per day, which shall include
7 not less than six nor more than (~~eleven~~) 11 live races per day, and
8 for which a fee shall be paid daily in advance of (~~five hundred~~
9 ~~dollars for each live race day for those licensees which had gross~~
10 ~~receipts from parimutuel machines in excess of fifty million dollars~~
11 ~~in the previous year and two hundred dollars for each day for meets~~
12 ~~which had gross receipts from parimutuel machines at or below fifty~~
13 ~~million dollars in the previous year~~) \$200; in addition any newly
14 authorized live race meets shall pay (~~two hundred dollars~~) \$200 per
15 day for the first year: PROVIDED, That if unforeseen obstacles arise,
16 which prevent the holding, or completion of any race meet, the
17 license fee for the meet, or for a portion which cannot be held may
18 be refunded the licensee, if the commission deems the reasons for
19 failure to hold or complete the race meet sufficient. Any unexpired
20 license held by any person who violates any of the provisions of this
21 chapter, or any of the rules or regulations of the commission made
22 pursuant thereto, or who fails to pay to the commission any and all
23 sums required under the provisions of this chapter, shall be subject
24 to cancellation and revocation by the commission. Such cancellation
25 shall be made only after a summary hearing before the commission, of
26 which three days' notice, in writing, shall be given the licensee,
27 specifying the grounds for the proposed cancellation, and at which
28 hearing the licensee shall be given an opportunity to be heard in
29 opposition to the proposed cancellation.

30 **Sec. 4.** RCW 67.16.280 and 2016 c 160 s 1 are each amended to
31 read as follows:

32 (~~(1)(a)~~) The Washington horse racing commission operating
33 account is created in the custody of the state treasurer. (~~All~~
34 ~~receipts collected by the commission under RCW 67.16.105(2) must be~~
35 ~~deposited into the account.~~) Expenditures from the account may be
36 used only for the operating expenses of the commission. Only the
37 commission or the commission's designee may authorize expenditures
38 from the account. The account is subject to allotment procedures

1 under chapter 43.88 RCW, but an appropriation is not required for
2 expenditures.

3 ~~((b))~~ The commission has the authority to receive such gifts,
4 grants, and endowments from public or private sources as may be made
5 from time to time in trust or otherwise for the use and purpose of
6 regulating or supporting nonprofit race meets as set forth in RCW
7 67.16.130 ~~((and 67.16.105(1)))~~; such gifts, grants, and endowments
8 must also be deposited into the horse racing commission operating
9 account and expended according to the terms of such gift, grant, or
10 endowment.

11 ~~((2) In order to provide funding in support of the legislative
12 findings in RCW 67.16.101 (1) through (3), and to provide additional
13 necessary support to the nonprofit race meets beyond the funding
14 provided by RCW 67.16.101(4) and 67.16.102(2), the commission is
15 authorized to spend up to three hundred thousand dollars per fiscal
16 year from its operating account for the purpose of developing the
17 equine industry, maintaining and upgrading racing facilities, and
18 assisting equine health research. When determining how to allocate
19 the funds available for these purposes, the commission must give
20 first consideration to uses that regulate and assist the nonprofit
21 race meets and equine health research. These expenditures may occur
22 only when sufficient funds remain for the continued operations of the
23 horse racing commission.))~~

24 NEW SECTION. **Sec. 5.** RCW 67.16.105 (Gross receipts—Commission's
25 percentage—Distributions) and 2011 c 12 s 1, 2010 c 39 s 1, 2004 c
26 246 s 7, 2003 1st sp.s. c 27 s 1, 1998 c 345 s 6, 1997 c 87 s 3, 1995
27 c 173 s 2, 1994 c 159 s 2, 1993 c 170 s 2, 1991 c 270 s 6, 1987 c 347
28 s 4, 1985 c 146 s 7, 1982 c 32 s 3, & 1979 c 31 s 6 are each
29 repealed.

30 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of
32 the state government and its existing public institutions, and takes
33 effect immediately.

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