

CHAPTER 347

[Substitute House Bill No. 984]

HORSE RACING—SATELLITE LOCATIONS—PARIMUTUEL WAGERING

AN ACT Relating to satellite extensions of licensed facilities; amending RCW 67.16.170, 67.16.175, and 67.16.105; adding new sections to chapter 67.16 RCW; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 67.16 RCW to read as follows:

(1) A racing association licensed by the commission to conduct a race meet may seek approval from the commission to conduct parimutuel wagering on its program at a satellite location or locations within the state of Washington. The sale of parimutuel pools at satellite locations shall be conducted only during the licensee's race meet and simultaneous to all parimutuel wagering activity conducted at the licensee's racing facility in the state of Washington. The commission's authority to approve satellite wagering at a particular location is subject to the following limitations:

(a) The commission may approve only one satellite location in each county in the state; however, the commission may grant approval for more than one licensee to conduct wagering at each satellite location.

(b) The commission shall not allow a licensee to conduct satellite wagering at a satellite location within fifty air miles of the licensee's racing facility.

(c)(i) The commission may allow a licensee to conduct satellite wagering at a satellite location within fifty air miles of the racing facility of another licensee who conducts race meets of thirty days or more, but only if the satellite location is the racing facility of another licensee who conducts race meets of thirty days or more and only if the licensee seeking to conduct satellite wagering suspends its program during the conduct of the meets of all licensees within fifty air miles.

(ii) Subject to subsection (1)(c)(i) of this section, the commission may allow a licensee to conduct satellite wagering at a satellite location within fifty air miles of the racing facility of another licensee who conducts race meets of under thirty days, but only if the licensee seeking to conduct satellite wagering suspends its satellite program during the conduct of the meets of all licensees within fifty air miles.

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

(3) The licensee shall combine the parimutuel pools of the satellite location with those of the racing facility for the purpose of determining odds and computing payoffs. The amount wagered at the satellite location shall

be combined with the amount wagered at the racing facility for the application of take out formulas and distribution as provided in RCW 67.16.102, 67.16.105, 67.16.130, 67.16.170, 67.16.175, and sections 5 and 6 of this act. A satellite extension of the licensee's racing facility shall be subject to the same application of the rules of racing as the licensee's racing facility.

Sec. 2. Section 5, chapter 31, Laws of 1979 as last amended by section 9, chapter 146, Laws of 1985 and RCW 67.16.170 are each amended to read as follows:

Except as provided for satellite wagers in section 6 of this 1987 act, race meets which have gross receipts of all parimutuel machines for each authorized day of racing may retain the following from the daily gross receipts of all parimutuel machines:

(1) On a daily handle of two hundred thousand dollars or less, the licensee shall retain fourteen and one-half percent of such gross receipts;

(2) On a daily handle of two hundred thousand one dollars to four hundred thousand dollars, the licensee shall retain fourteen percent of such gross receipts; and

(3) On a daily handle of four hundred thousand one dollars or more, the licensee shall retain eleven percent of such gross receipts.

Sec. 3. Section 1, chapter 135, Laws of 1981 as last amended by section 1, chapter 43, Laws of 1986 and RCW 67.16.175 are each amended to read as follows:

(1) Except as provided for satellite wagers in sections 5 and 6 of this 1987 act, daily gross receipts of all parimutuel machines from wagers on exotic races shall be distributed according to this section:

(a) In addition to the amounts set forth in RCW 67.16.105, an additional two and five-tenths percent of gross receipts on races with two or more selections and three and five-tenths percent of gross receipts on races with three or more selections shall be paid to the commission. The commission shall retain twenty-two percent of the additional percentages from exotic races and shall forward the balance to the state treasurer daily for deposit in the general fund.

(b) In addition to the amounts authorized to be retained in RCW 67.16.170, race meets may retain an additional three percent of the daily gross receipts of all parimutuel machines from wagers on exotic races requiring two selections to be used as provided in subsection (2) of this section.

(c) In addition to the amounts authorized to be retained in RCW 67.16.170, race meets may retain an additional six percent of the daily gross receipts of all parimutuel machines from wagers on exotic races requiring three or more selections to be used as provided in subsection (2) of this section.

(2) Of the amounts retained in subsection (1) (b) and (c) of this section, one percent shall be used for Washington-bred breeder awards, not to exceed twenty percent of the winner's share of the purse.

(3) Any portion of the remaining moneys retained in subsection (1) (b) and (c) of this section shall be shared equally by the race track and participating horsemen. The amount shared by participating horsemen shall be in addition to and shall not supplant the customary purse structure between race tracks and participating horsemen.

(4) As used in this section, "exotic races" means any multiple wager. Exotic races are subject to approval of the commission.

Sec. 4. Section 6, chapter 31, Laws of 1979 as last amended by section 7, chapter 146, Laws of 1985 and RCW 67.16.105 are each amended to read as follows:

Except as provided for satellite wagers in section 5 of this 1987 act, the licensee shall pay to the commission daily for each authorized day of racing the following applicable percentage of all daily gross receipts from all parimutuel machines at each race meet:

(1) One-half percent of the daily gross receipts, if the daily gross receipts are two hundred thousand dollars or less;

(2) One percent of the daily gross receipts, if the daily gross receipts are two hundred thousand one dollars to four hundred thousand dollars; and

(3) Four percent of the daily gross receipts if the daily gross receipts are four hundred thousand one dollars or more.

NEW SECTION. Sec. 5. A new section is added to chapter 67.16 RCW to read as follows:

(1) The licensee shall pay to the commission daily for each authorized day of racing the following applicable percentage of all daily gross receipts of all parimutuel machines from satellite wagers on all races:

(a) On a daily handle of two hundred thousand dollars or less, the licensee shall pay to the commission one-half percent of the daily gross receipts of parimutuel machines from satellite wagers;

(b) On a daily handle of two hundred thousand one dollars to four hundred thousand dollars, the licensee shall pay to the commission one-half percent of daily gross receipts of parimutuel machines from satellite wagers; and

(c) On a daily handle of four hundred thousand one dollars or more, the licensee shall pay to the commission three percent of daily gross receipts of parimutuel machines from satellite wagers.

(2) In addition to the amounts set forth in subsection (1) of this section, the licensee shall pay daily to the commission an additional one percent of gross receipts on all parimutuel machines from satellite wagers on exotic races.

(3) As used in this section, "exotic races" has the meaning defined in RCW 67.16.175.

NEW SECTION. Sec. 6. A new section is added to chapter 67.16 RCW to read as follows:

(1) The licensee may retain for each authorized day of racing the following applicable percentage of all daily gross receipts of all parimutuel machines from satellite wagers:

(a) On a daily handle of two hundred thousand dollars or less, the licensee shall retain fourteen and one-half percent of such gross receipts;

(b) On a daily handle of two hundred thousand one dollars to four hundred thousand dollars, the licensee shall retain fourteen and one-half percent of such gross receipts; and

(c) On a daily handle of four hundred thousand one dollars or more, the licensee shall retain twelve percent of such gross receipts.

(2) In addition to the amounts set forth in subsection (1) of this section, the licensee may retain an additional four and one-half percent of the daily gross receipts on all parimutuel machines from satellite wagers on exotic races requiring two selections and an additional eight and one-half percent on daily gross receipts of parimutuel machines from satellite wagers on exotic races requiring three or more selections, to be used as provided in subsection (3) of this section.

(3) Of the amounts retained in subsection (2) of this section, one percent shall be used for Washington-bred breeder awards, not to exceed twenty percent of the winner's share of the purse.

(4) As used in this section, "exotic races" has the meaning defined in RCW 67.16.175.

NEW SECTION. Sec. 7. A new section is added to chapter 67.16 RCW to read as follows:

The commission is authorized to establish and collect an annual fee for each separate satellite location. The fee to be collected from the licensee shall be set to reflect the commission's expected costs of approving, regulating, and monitoring each satellite location, provided commission revenues generated under section 5 of this act from the licensee shall be credited annually towards the licensee's fee assessment under this section.

NEW SECTION. Sec. 8. A new section is added to chapter 67.16 RCW to read as follows:

Sections 1 and 5 through 7 of this act shall expire on October 31, 1991, unless extended by law for an additional fixed period of time and shall be subject to review under chapter 43.131 RCW.

Passed the House April 25, 1987.

Passed the Senate April 6, 1987.

Approved by the Governor May 13, 1987.

Filed in Office of Secretary of State May 13, 1987.