
SECOND SUBSTITUTE SENATE BILL 5598

State of Washington

68th Legislature

2024 Regular Session

By Senate Ways & Means (originally sponsored by Senators Mullet, Fortunato, Nguyen, Keiser, Schoesler, Kauffman, Hunt, Padden, J. Wilson, Conway, Dozier, Stanford, and Van De Wege)

READ FIRST TIME 02/05/24.

1 AN ACT Relating to the funding of legalized horse racing and the
2 recreational use of horses in Washington state; amending RCW
3 67.16.050 and 67.16.280; adding a new section to chapter 67.16 RCW;
4 and creating a new section.

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

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

8 The commission may impose fees, as the commission deems
9 reasonable and appropriate, in compliance with the horseracing
10 integrity and safety act of 2020, 15 U.S.C. Sec. 3051 et seq., as
11 amended. The commission may adopt rules to implement this section.

12 **Sec. 2.** RCW 67.16.050 and 1997 c 87 s 2 are each amended to read
13 as follows:

14 Every person making application for license to hold a race meet,
15 under the provisions of this chapter shall file an application with
16 the commission which shall set forth the time, the place, the number
17 of days such meet will continue, and such other information as the
18 commission may require. The commission shall be the sole judge of
19 whether or not the race meet shall be licensed and the number of days
20 the meet shall continue. No person who has been convicted of any

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

31 **Sec. 3.** RCW 67.16.280 and 2016 c 160 s 1 are each amended to
32 read as follows:

33 (1) (~~(a)~~) The Washington horse racing commission operating
34 account is created in the custody of the state treasurer. All
35 receipts collected by the commission under RCW 67.16.105(2) must be
36 deposited into the account. During the 2024 state fiscal year,
37 \$1,350,000 must be transferred from the general fund into this
38 account. Expenditures from the account may be used only for the
39 operating expenses of the commission and for purposes set forth in

1 subsection (3) of this section. Only the commission or the
2 commission's designee may authorize expenditures from the account.
3 The account is subject to allotment procedures under chapter 43.88
4 RCW, but an appropriation is not required for expenditures.

5 ~~((b))~~ (2) The commission has the authority to receive such
6 gifts, grants, and endowments from public or private sources as may
7 be made from time to time in trust or otherwise for the use and
8 purpose of regulating or supporting nonprofit race meets as set forth
9 in RCW 67.16.130 and 67.16.105(1); such gifts, grants, and endowments
10 must also be deposited into the horse racing commission operating
11 account and expended according to the terms of such gift, grant, or
12 endowment.

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

26 (3) Expenditures from the account must be used for the operating
27 expenses of the commission, with the remaining amount distributed
28 annually as follows:

29 (a) 10 percent for grants to nonprofit entities involved with
30 equine rescue and rehoming organizations;

31 (b) 90 percent to:

32 (i) Class 1 racing associations allocated by grant by the
33 Washington horse racing commission only for payment of the annual
34 horseracing integrity and safety authority gross assessment for
35 Washington state. The gross assessment may include required expenses
36 for veterinarians, advanced life support ambulances, advanced life
37 support ambulance staff, and emergency medical technicians.

38 (ii) Support the legislative findings in RCW 67.16.101 (1)
39 through (3) and provide additional necessary support to the nonprofit
40 race meets beyond the funding provided by RCW 67.16.101(4) and

1 67.16.102(2), for the purpose of developing the equine industry,
2 maintaining and upgrading racing facilities, and assisting equine
3 health research. When determining how to allocate the funds available
4 for these purposes, the Washington horse racing commission must give
5 first consideration to uses that regulate and assist the nonprofit
6 race meets and equine health research. These expenditures may occur
7 only when sufficient funds remain for the continued operations of the
8 horse racing commission after the payment of the horseracing
9 integrity and safety authority gross assessment costs.

10 (4) By December 1, 2024, and annually thereafter, the commission
11 must report to the appropriate committees of the legislature on the
12 use of grant funds and criteria used to determine grant awards
13 established in subsection (3) of this section and uses of funds
14 distributed to the commission for operating expenses.

15 NEW SECTION. Sec. 4. If specific funding for the purposes of
16 this act, referencing this act by bill or chapter number, is not
17 provided by June 30, 2024, in the omnibus appropriations act, this
18 act is null and void.

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