

SENATE BILL REPORT

HB 2792

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, February 28, 2008

Title: An act relating to computing breaks in the parimutuel system.

Brief Description: Relating to computing breaks in the parimutuel system.

Sponsors: Representatives Wood, Condotta, Grant, Conway and Quall.

Brief History: Passed House: 2/18/08, 95-0.

Committee Activity: Labor, Commerce, Research & Development: 2/28/08 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Holmquist, Ranking Minority Member; Franklin, King, Murray and Prentice.

Staff: Kathleen Buchli (786-7488)

Background: For purposes of payoffs on horse racing, the "break" specifies at what point the payoff is rounded down, so the track does not pay on the exact penny of the final odds. Washington law specifies the break at 10 cents. For example, a payoff of \$2.38 becomes \$2.30. It is a violation of the horse racing laws for a licensee to compute a break at other than exactly 10 cents.

Canadian Provinces require its breakage to be applied to simulcast wagering by its residents at tracks of other jurisdictions.

Summary of Bill: The break, for purposes of horse racing payoffs, is changed from 10 cents to not more than 10 cents.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: A break is a way payouts are rounded off. The bill allows a break of up to 10 cents which provides more opportunities for Washington bettors, because Canada and others use nickel breaks. Northwest Racing at Emerald Downs

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and the Washington Horse Racing Commission are in support of the bill and request its passage.

Persons Testifying: PRO: Representative Wood, prime sponsor; Jim Halstrom, Northwest Racing, Emerald Downs; Bob Lopez, Washington Horse Racing Commission.