

**WAC 260-49-030 Advance deposit wagering service provider license for a class 1 racing association.** (1) A class 1 racing association licensed under chapters 67.16 RCW and 260-13 WAC may apply for a license from the commission to operate as an advance deposit wagering service provider in accordance with chapter 67.16 RCW and this chapter.

(2) An application to operate as an advance deposit wagering service provider must address the requirements of this chapter, and the class 1 racing association shall file with the commission an original and five copies of the application and plan of operation.

(3) As part of the application, the class 1 racing association shall submit a detailed plan of how its proposed advance deposit wagering service provider would operate. At a minimum, the operating plan shall address the following issues:

(a) The manner in which the proposed simulcasting and advance deposit wagering service provider will operate and the regular hours of operation;

(b) Programs for responsible wagering;

(c) A plan for verification of an applicant's identity, age and residence when establishing an account;

(d) Establish a dispute resolution process for account holders who file a claim against the advance deposit wagering service provider;

(e) The requirements for accounts established and operated for persons whose principal residence is outside of the state of Washington;

(f) The process for an account holder to make withdrawals from the account holder's account;

(g) The process for handling wagers when wagering pools cannot be merged with the wagering pools of the race track where the race is being run live; and

(h) Any additional information required by the commission.

(4) The commission may require changes in a proposed plan of operations as a condition of granting a license.

(5) The commission may conduct investigations or inspections or request additional information from the class 1 racing association, as it deems appropriate in determining whether to license the class 1 racing association to operate as an advance deposit wagering service provider.

(6) A license authorizes the class 1 racing association to establish, manage and operate an advance deposit wagering service provider. The class 1 racing association shall not subcontract operation of the advance deposit wagering service provider to another person or entity without authorization from the commission. The class 1 racing association shall assume liability in respect to Washington accounts for any subcontractor authorized by the commission.

(7) Approval of a license under this section shall be for twelve months from the date of approval, unless rescinded by the commission.

(8) No subsequent changes in the advance deposit wagering service provider's plan of operations may occur unless ordered by the commission or until written approval is obtained from the commission.

(9) The commission, or its staff, shall be given access to review and audit all records and financial information of a class 1 racing association related to the conduct of advance deposit wagering, including resident and nonresident accounts. This information shall be made available to the commission or its staff by the class 1 racing association at its location at reasonable hours. The commission may

require the class 1 racing association to annually submit to the commission audited financial statements of the advance deposit wagering service provider.

(10) The class 1 racing association, as the operator of an advance deposit wagering entity shall at least monthly, unless otherwise directed by the commission, deposit directly to the commission's operating account six tenth of one percent of the total gross handle from Washington residents.

(a) The commission shall distribute twenty-five percent of the six tenth of one percent deposit to the Washington bred owners' bonus fund and breeders award account.

(b) The association shall contribute an amount equal to the commission's distribution of the twenty-five percent of the six tenth of one percent into the Washington bred owners' bonus fund and breeders awards prior to the yearly distribution of the awards.

[Statutory Authority: RCW 67.16.020. WSR 16-17-056, § 260-49-030, filed 8/12/16, effective 9/12/16; WSR 04-21-053, § 260-49-030, filed 10/18/04, effective 11/18/04.]