

Washington Horse Racing Commission

Created in 1933 by Chapter 55 Laws of Washington

Presentation to House Commerce and
Gaming Committee

November 16, 2018



Washington Horse Racing Commission

Mission and Goals

Mission

The WHRC regulates pari-mutuel horse racing and supports the development of the equine industry.

Goals

1. Foster a regulatory environment that promotes the economic benefits of the equine industry.
2. Ensure that the public has confidence in the integrity of pari-mutuel horse racing.



Washington Horse Racing Commission

Agency Overview

Three voting members appointed by the Governor

**Dr. L. Everett
Macomber**
Commission Chair

Robert Lopez
Commissioner

Jeff Colliton
Commissioner

Four non-voting legislative ex-officio members

Senator **JOE FAIN**

Senator **STEVE HOBBS**

Representative **JOE SCHMICK**

Representative **STROM PETERSON**

The Commission appoints an **Executive Secretary** who appoints staff and manages day-to-day operations



Washington Horse Racing Commission

Industry Wagering History

1985

Lottery – \$79.2 Million

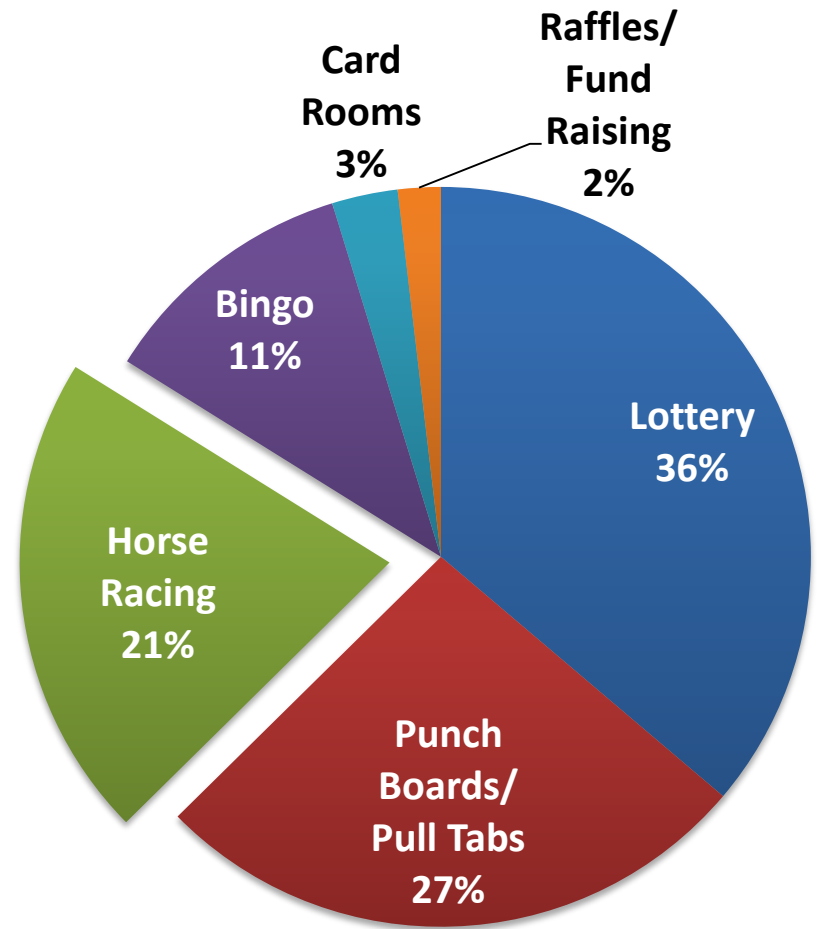
Punch Boards/Pull Tabs - \$57.8 Million

Horse Racing – \$46.5 Million

Bingo – \$24.9 Million

Card Rooms - \$6.3 Million

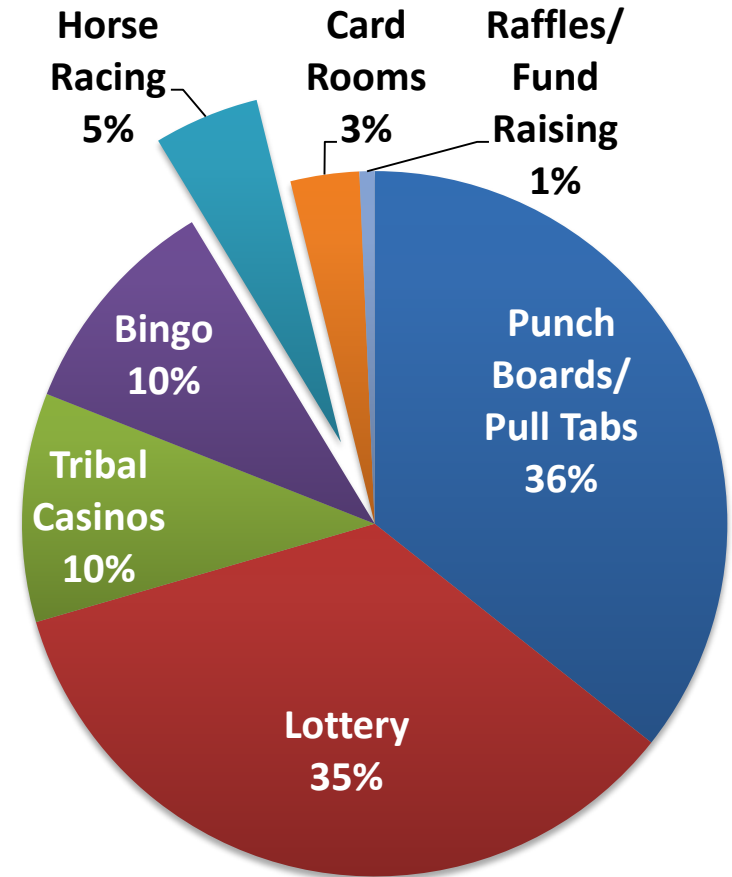
Raffles/Fund Raising - \$4.1 Million



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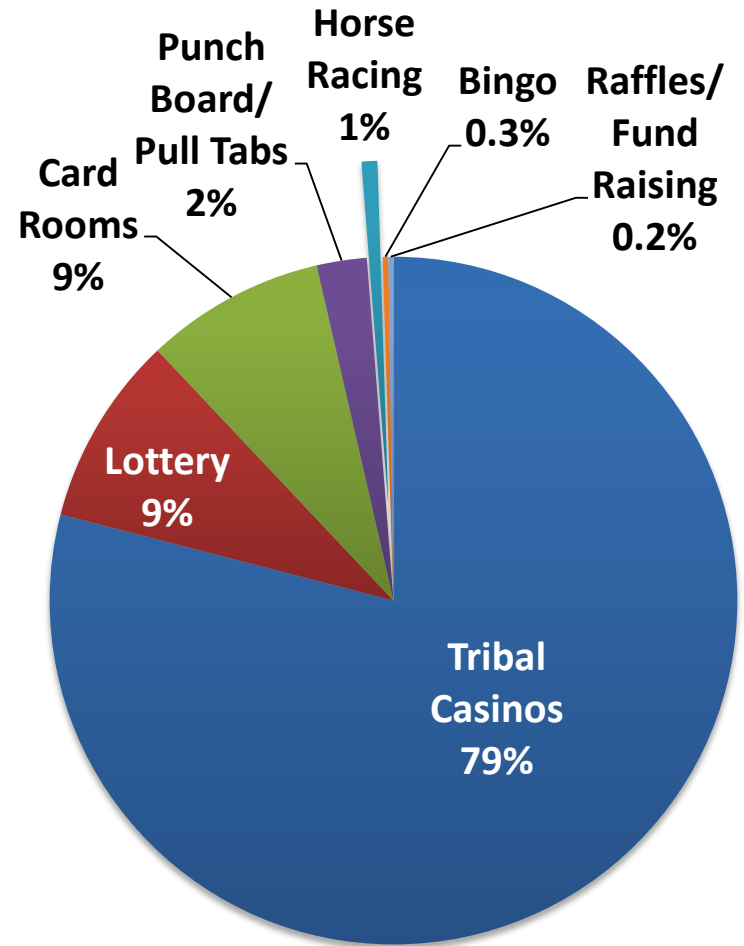
Industry Wagering History 1996

Punch Boards/Pull Tabs - \$169.8 Million
Lottery - \$166.0 Million
Tribal Casinos - \$50.0 Million
Bingo - \$49.2 Million
Horse Racing - \$23.0 Million
Card Rooms - \$15.0 Million
Raffles/Fund Raising - \$3.3 Million



Industry Wagering History 2016

Tribal Casinos - \$2.317 Billion
Lottery - \$261.9 Million
Card Rooms - \$247.8 Million
Punch Board/Pull Tabs - \$68.7 Million
Horse Racing - \$21.7 Million
Bingo - \$7.7 Million
Raffles/Fund Raising - \$7.0 Million



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Direct Economic Contribution*

*Indirect economic impact based on 3.5 multiplier of \$253M per year
(study conducted in 2014)

	Emerald	Horsemen	Breeders	Total
Salaries and Wages	\$6,254,914	\$13,980,043	\$12,480,000	\$32,714,957
Payments to Other Industries	\$10,648,743	\$6,467,034	\$11,991,151	\$29,106,928
Payments to Government Agencies	\$4,498,486	\$2,921,881	\$3,298,774	\$10,719,140
Grand Total	\$21,402,142	\$23,368,957	\$27,769,925	<u>\$72,541,025</u>



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Comparisons

- **New Jersey** – Available at tracks – 1.25% local tax to industry
- **West Virginia** – Available at tracks – 10% tax
- **Delaware** – Available at tracks – 50% of net to tracks and purses.



Vendors licensed by WHRC

- **Xpress Bet** – Parent company is exploring sports betting platforms
- **TVG** – Parent company is Betfair, one of the leading sports betting platforms in Europe.
- **Twin Spires** – Platform in place, (Bet America)
- **Sportech** – Full digital platform in 2019, (current mutuel wagering provider)
- **Watch and Wager** – Not at this time, but agreements in place for future consideration.
- **NYRABets** – Reviewing options to implement a platform



Conclusions

- Pari-mutuel wagering has been conducted since 1933 and has survived many challenges.
- Other states that have authorized sports betting have included the pari-mutuel industry.
- Additional competition without consideration may be the end of live racing.



Questions?



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