

**SB 1524 STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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**Action Date:** 02/25/26  
**Action:** Do pass and refer to Ways and Means by prior reference.  
**Vote:** 4-0-1-0  
**Yeas:** 4 - Anderson, Broadman, McLane, Taylor  
**Exc:** 1 - Patterson  
**Fiscal:** Fiscal impact issued  
**Revenue:** Revenue impact issued  
**Prepared By:** Dae Baek, Senior Economist  
**Meeting Dates:** 2/23, 2/25

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**WHAT THE MEASURE DOES:**

Creates the Horse Racing Account. Allocates to the account, 0.3 percent of the net lottery proceeds. Lists the activities for use of the moneys in the account. Becomes operative on July 1, 2027.

**ISSUES DISCUSSED:**

- Justification of 0.3 percent distribution
- Distribution process of money in the account
- Industry representation of women and minority
- Economic impacts of horse racing industry
- Contribution to the General Fund from the parimutuel wagering on horse racing

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

This bill does not change the net lottery proceeds available for meeting debt obligations, constitutional distributions, statutory distributions, and discretionary allocations by the legislature. It creates a statutory account to which 0.3 percent of the net lottery proceeds are to be distributed.

Over time, constitutional and statutory distributions have gone through changes. The meeting material "Lottery Distribution History" describes lottery proceeds distribution history. The meeting material "Lottery Forecast OEA" shows the most recent lottery revenue distribution forecast by the Office of Economic Analysis.

Here are the current distribution percentages specified in the Constitution and statutes:

**A. Constitutional Dedications**

- 18% to the Education Stability Fund
- 15% to the Parks and Natural Resources Fund
- 1.5% to the Veterans' Services Fund

**B. Statutory Allocations**

- The lesser of 4% or inflation-adjusted \$22 million a year to the Outdoor School Education Fund
- 2.5% of video lottery net receipts to County Economic Development
- 1% to HECC Collegiate Athletic and Scholarships
- 1% to Gambling Addiction Treatment
- 1% to County Fair Account, not to exceed inflation-adjusted \$1.53 million per year
- Sports betting revenue to Employer Incentive Fund (PERS)