**Agency:** Washington Horse Racing Commission  
**Subject of possible rule making:** Title 260-49-070 Distribution of Source Market Fees.  

**Statutes authorizing the agency to adopt rules on this subject:** RCW 67.16.020  

**Reasons why rules on this subject may be needed and what they might accomplish:** The WHRC may need to adjust the SMF distribution based on the effect to the revenue for the WHRC in the event the In-State Pari-Mutuel handle exceeds $50 million thereby reducing the pari-mutuel tax from 1.803% to 1.3%  

**Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:**  

**Process for developing new rule (check all that apply):**  
- [X] Negotiated rule making  
- [ ] Pilot rule making  
- [ ] Agency study  
- [ ] Other (describe)  

**Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:**  

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<td>Other:</td>
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</tbody>
</table>

**Date:** 8/26/2022  
**Signature:**  

**Title:** Executive Secretary  

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**Preproposal Statement of Inquiry**  
**CR-101 (October 2017)**  
*(Implements RCW 34.05.310)*  
Do NOT use for expedited rule making  

**Office of the Code Revisor**  
**State of Washington**  
**Filed**  
**DATE:** August 26, 2022  
**TIME:** 9:00 AM  
**WSR 22-18-014**