

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1770

H. P. 1661

House of Representatives, January 7, 1980

Speaker laid before the House and on Motion of Mrs. Post of Owl's Head referred to the Committee on Agriculture. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk of the House

Presented by Mr. Higgins of Scarborough.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY

AN ACT Concerning Harness Racing in the State of Maine.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 8 MRSA § 271, 2nd sentence, as amended by PL 1971, c. 593, § 22, is further amended to read:

Between the dates of the ~~first Monday in August~~ **2nd Tuesday in September** and October 20th, it may issue a license to an agricultural fair association for a pari-mutuel harness meet in connection with its annual fair, but no other person, association or corporation shall be licensed to operate either a day or night pari-mutuel harness meet within a distance of 150 miles, which distance shall be determined by reference to the mileage tables of distances shown on the latest Maine Department of Transportation official map, when an agricultural fair association is operating a pari-mutuel harness meet at the time of its annual fair, without the consent of said fair association.

Sec. 2. 8 MRSA § 275, first ¶, as amended by PL 1977, c. 96, § 5, is further amended to read:

Each person, association or corporation licensed to conduct a race or race meet under this chapter shall pay to the Treasurer of State, to be credited to the General Fund of the State, a sum equal to **1/2 of 1%** of the total contributions of regular wagers and ~~5-1/2%~~ **3%** of the total contributions of exotic wagers to all

pari-mutuel pools conducted or made at any race or race meet licensed under this chapter.

Sec. 3. 8 MRSA § 275, as last amended by PL 1977, c. 564, § 41, is further amended by adding at the end a new paragraph to read:

As of December 31st of each year, the commission shall determine the amount due from each licensee and issue statements of account. Each licensee shall pay the amount due within 30 days of receipt of the statement of account from the commission. The commission may require each licensee to post bond or other acceptable security to guarantee the payment of the stipend determined to be due. Licensees shall not be obligated to deposit the stipend on a daily basis with the commission.

Sec. 4. 8 MRSA § 333, last sentence, is repealed as follows:

~~A sum equal to 1% of such total contributions shall be paid to the Treasurer of State to be credited to the "Stipend Fund" provided by Title 7, section 62~~

STATEMENT OF FACT

As a result of recent hearings before the State Harness Racing Commission, it is apparent that the future of harness racing in the State of Maine is in serious jeopardy. There has been a significant deterioration of the profitability of all phases of the industry in Maine as a result of severe inflationary pressures, a general decline in attendance at harness racing tracks and fair associations and pressure from other tracks outside the State. Insufficient purse money severely cripples the ability of horse owners to raise and breed better stock or to pay decent wages for trainers and related services. Several harness tracks in the east have closed or are for sale. Others are deferring much needed maintenance due to lack of funds. Maine horse owners and drivers are being forced to leave the State to race in Massachusetts and elsewhere in the east where larger purses mean the difference between economic survival and failure.

The states of Illinois and Massachusetts have recently recognized the plight of the harness racing industry and made major changes to reduce the state level of taxation of harness racing and to put those funds back into the industry for larger purses and track profitability. It is becoming increasingly difficult for the long tradition of harness racing at agricultural fairs throughout the State to continue at the very modest levels of available income. Several fairs are considering deletion of their harness racing, and others have taken losses on the harness racing which must be subsidized by other portions of their fair activities. It is absolutely essential that action be taken at this time before the commencement of another harness racing season, because without such action we may very well be seeing the last of harness racing in this State as we know it today.

The modest tax reduction proposed by this bill will be more than offset by the gain in taxable income from a healthy harness racing industry which is capable of generating an estimated 50 to 60 million dollars per year, including pari-mutuel

wagering, food and concession income, employees' salaries and other related activities. If immediate action is not taken, this sizeable, taxable base will continue to deteriorate and be lost.