

	1 2 3 4	(After Deadline) (EMERGENCY) SECOND REGULAR SESSION
	5 6	ONE HUNDRED AND TENTH LEGISLATURE
	7 8	Legislative Document No. 2006
ŕ	9	S. P. 864 Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27. On Motion of Senator Teague of Somerset, referred to the Committee on Taxation and ordered printed. Sent down for
•	10 11	concurrence. MAY M. ROSS, Secretary of the Senate Presented by Senator Kerry of York. Cosponsors: Representative Mahany of Easton, Senator Shute of Waldo and Representative Tarbell of Bangor.
	12 13	STATE OF MAINE
	14 15 16	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-TWO
	17 18 19 20	AN ACT Relating to Harness Racing at Agricultural Fairs, the State Stipend and Pari-mutuel Pools.
•	21 22 23	Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
	24 25	Whereas, harness racing is one of Maine's most impor- tant recreational activities; and
	26 27 28	Whereas, both owners of harness racing horses and the operators of harness racing tracks have experienced a steady decline in real income since 1973; and
	29 30 31	Whereas, this decline in real income presently threat- ens the supply of harness racing horses in Maine and the viability of the entire harness racing industry; and

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1 Whereas, a healthy harness racing industry is vital for 2 the continued prosperity of those agricultural societies 3 which conduct pari-mutuel racing; and

4 Whereas, this Act must become effective for the 1982 5 harness racing season in order to provide timely relief to 6 owners of harness racing horses and operators of harness 7 racing tracks; and

8 Whereas, in the judgment of the Legislature, these 9 facts create an emergency within the meaning of the Consti-10 tution of Maine and require the following legislation as 11 immediately necessary for the preservation of the public 12 peace, health and safety; now, therefore,

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

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 Sec. 1.
 8 MRSA §271, 2nd sentence, as amended by PL

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 1971, c.
 593, §22, is repealed.

16 Sec. 2. 8 MRSA §274, as last amended by PL 1979, c. 17 672, Pt. A, §46, is repealed and the following enacted in 18 its place:

19 §274. Pari-mutuel pools

20 1. Sale of pari-mutuel pools. Within the enclosure of 21 any race track where a race or race meet licensed and con-22 ducted under this chapter is held, but not elsewhere, the 23 sale of pari-mutuel pools by the licensee, under such rules as may be prescribed by the commission, is permitted and 24 25 authorized. Commissions on pools of regular wagers other 26 than exotic wagers shall not in any event or at any track exceed 16% of each dollar wagered, and commissions on pools 27 of exotic wagers shall not in any event or at any track exceed 25% of each dollar wagered, plus the odd cents of all 28 29 redistribution to be based on each dollar wagered, whether 30 31 regular wagers or exotic wagers, exceeding a sum equal to the next lowest multiple of 10, known as "breakage," which breakage shall be retained by the licensee. For the purpose 32 33 of this chapter, "exotic wagers" means those in which the bettor selects 2 or more horses in one or more races in a 34 35 single wager. The maximum shall include the .87% tax on 36 regular wagers and the 5.37% tax on exotic wagers prescribed 37 38 in section 275.

2. Payment to Treasurer of State. Each person, asso ciation or corporation licensed to conduct a race or race

- 1 meet under this chapter shall pay to the Treasurer of State 2 a sum equal to 1.13% of the total contributions of regular 3 and exotic wagers to all pari-mutuel pools conducted or made 4 at any race or race meet licensed under this chapter. The 5 Treasurer of State shall distribute the total amount so col-6 lected in the following manner.
- A. The first \$295,000 of the total amount, regardless
 of when actually collected, shall be credited to the
 Stipend Fund, provided by Title 7, section 62.
- B. From the next \$55,000 of the total amount, regard-less of when actually collected, 75% shall be paid and 10 11 returned by the end of each calendar year to those per-12 sons, associations and corporations which during 13 that calendar year conducted an extended meet pursuant to a 14 by the commission 15 license granted as provided As in this section, 16 section 271. used the term 'extended meet" means 17 any series of harness horse races, except harness horse races conducted by an agri-18 cultural society at the time of its annual fair. This 19 payment shall be divided in the proportion that the 20 21 contributions of regular and exotic wagers to 22 pari-mutuel pools made or conducted at the extended meets of each licensee during that calendar year bear 23 to the total contributions of regular and exotic wagers to pari-mutuel pools made or conducted at the extended 24 25 of all licensees during that calendar year. 26 meets 27 Licensees sharing in this distribution shall use 1/2 of the funds so received for the purpose of supplementing 28 29 purse money.
 - The remaining 25% shall be credited to the Stipend Fund, provided in Title 7, section 62.

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32 C. From the balance of the total amount in excess of \$350,000, regardless of when actually collected, 80% 33 shall be paid and returned by the end of each calendar 34 to those persons, associations and corporations 35 year which during that calendar year conducted an extended 36 meet pursuant to a license granted by the commission in 37 section 271. This payment shall be divided in the pro-38 39 portion that the contributions of regular and exotic 40 wagers to pari-mutuel pools made or conducted the at extended meets of each licensee during that calendar 41 42 year bear to the total contributions of regular and exotic wagers to pari-mutuel pools made or conducted at 43 44 the extended meets of all licensees during that calendar year. Licensees sharing in this distribution shall 45 use 1/2 of the funds so received for the purpose 46 of supplementing purse money. 47

1The remaining 20% shall be credited to the Stipend2Fund, provided by Title 7, section 62.

3 <u>3. Payment to commission. A sum equal to 1 1/2% of</u> 4 the total contributions on exotic wagers shall be paid to 5 the commission to be credited to the Sire Stakes Fund, pro-6 vided in section 281.

7 Sec. 3. Transition provisions. The Revised Statutes, 8 Title 1, section 302, does not apply to proceedings involv-9 ing harness racing licenses or assignment of harness racing 10 dates held pursuant to the Revised Statutes, Title 8, 11 section 271, which are pending before the State Harness 12 Racing Commission on the effective date of this Act.

13 Emergency clause. In view of the emergency cited in 14 the preamble, this Act shall take effect when approved.

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STATEMENT OF FACT

16 Section 1 repeals the so-called "consent law." This 17 law now gives an agricultural society conducting а pari-mutuel harness racing meet, as part of its annual fair 18 in late summer or early fall, the power to prohibit the 19 20 State Harness Racing Commission from scheduling simultaneous racing within a 150-mile radius of the fair. Repeal of this law leaves unaffected other portions of Title 8, section 21 22 23 271, requiring the commission to assign racing dates "as will best serve the interests of the agricultural associa-24 25 tions of Maine."

26 The state stipend to agricultural societies provided in Title 7, section 62, is presently funded in 2 ways: 27 By a special 1.13% tax on the total state harness racing handle; 28 and by a 5% share of the general tax on the total handle. 29 calendar years 1980 and 1981, the 1.13% special tax was 30 For approximately \$295,000 and \$336,433 respectively. For the 31 same years the 5% share of the general tax was approximately 32 33 \$53,632 and \$68,136. The State Harness Racing Commission 34 does not expect the 1982 handle to reach its 1981 level.

35 Section 2 alters the disposition of the 1.13% special Amounts up to the 1980 level, \$295,000, would go 36 tax. entirely to the Stipend Fund, as is currently the case. 37 This section changes existing law by requiring that a por-38 tion of amounts realized in excess of \$295,000 be shared 39 with harness racing tracks and agricultural societies which hold "extended meets." One-half of any amounts so shared 40 41 must be used by the tracks and societies to increase the 42 amount of purses paid. 43

Page 4-L. D. 2006

1 Section 2 also changes the maximum tax on regular 2 wagers and exotic wagers in the present Title 8, section 3 274, to be consistent with Title 8, section 275.