

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 691, L.D. 932, Bill, "An Act to Amend the Law Pertaining to the Limitations on Simulcasting"

Amend the bill by striking out the title and substituting the following:

'An Act to Amend the Laws Relating to Harness Racing'

Further amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, harness racing is an important industry in the State, providing jobs and recreational opportunities for the people of this State and visitors to the State; and

Whereas, wagering on harness racing provides funds to maintain the harness racing industry and additional funds for the State through increased tourism and through payment of a portion of the wagered funds to the General Fund; and

Whereas, the live racing season is already underway in the State; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 5 MRSA §12004-G, sub-§3-B is enacted to read:

COMMITTEE AMENDMENT

2	<u>3-B.</u>	<u>Harness</u>	<u>Not Autho-</u>	<u>8 MRSA</u>
4	<u>Agriculture</u>	<u>Racing Pro-</u>	<u>rized</u>	<u>§284</u>
6		<u>motional</u>		
		<u>Board</u>		

8 Sec. 2. 7 MRSA §62, first ¶, as amended by PL 1987, c. 759, §1,
is further amended to read:

10 There shall ~~shall~~ must be appropriated annually from the State
12 Treasury a sum of money equal to 5% of the amount contributed
14 under Title 8, section 275 ~~275-H~~, and additional sums of money as
16 provided and limited by Title 8, section 274 ~~275-F~~, which shall
18 be is known as the state stipend for aid and encouragement to
20 agricultural societies and hereafter designated as the
22 "stipend." Forty-four percent of the amounts contributed under
24 Title 8, section 274, ~~shall~~ 275-F must be divided for
26 reimbursements in equal amounts to each recipient of the Stipend
28 Fund which conducts pari-mutuel racing in conjunction with its
30 annual fair if the recipient has improved its racing facilities
32 and has met the standards for facility improvements set by the
34 commissioner for the recipients. If a recipient has not complied
36 with the individual standards set by the commissioner, yearly
38 reimbursements shall must be paid in equal amounts to those
40 recipients which that have met such those standards. A sum equal
42 to 8% of the amount collected under Title 8, section 274 ~~shall~~
44 275-F must be divided for reimbursement in amounts in proportion
46 to the sums expended for premiums in the current year to each
48 recipient of the Stipend Fund which that does not conduct
50 pari-mutuel racing, if the recipient has improved its facilities
and has met the standards for facility improvements set by the
commissioner for the recipients. From the state stipend the
commissioner may expend annually a sum not to exceed 13% for
administrative and inspection services and for administration of
the State's standardbred horses program and the Sire Stakes Fund,
as established by Title 8, section 281. The balance of this
stipend shall must be divided among the legally incorporated
agricultural clubs, societies, counties and fair associations of
the State, hereafter in this Title designated as "societies,"
according to the following schedule and method. The stipend
shall must be divided pro rata among the legally incorporated
societies according to the amount of premiums and gratuities
actually paid in full and in cash or valuable equivalent by those
societies upon horses, cattle, sheep, swine, poultry and
agricultural and domestic products, provided that each of the
qualifying societies which that do not conduct pari-mutuel racing
shall is entitled to receive shares which that, considering the
amount of premiums and gratuities actually paid during the fair
season in question, are not less than the equivalent amount
received by such those societies during the 1976 fair season, and

provided further, that no such that society, whether specifically mentioned in this Title or otherwise, is not entitled to any share of the stipend unless it shall have has complied with the following requirements, which shall must be considered by the commissioner as the basis upon which his the commissioner's apportionment of the stipend shall must be made as provided in this section. No premiums or gratuities may be considered by the commissioner in apportioning the amount of stipend to which any society is entitled except those offered and paid upon horses, cattle, sheep, swine, poultry, vegetables, grain, fruit, flowers, products derived from horses, cattle, sheep, swine, home canned foods, grange exhibits, farm exhibits, boys' and girls' club exhibits, exhibits of the mechanical arts, domestic and fancy articles produced in the farm home and pulling contests by horses and oxen. No society is entitled to any share of the stipend unless it has first obtained a license issued pursuant to section 65. No society, the Maine State Pomological Society excepted, may receive from the State a sum greater than that actually raised and paid by the society as premiums and gratuities in the classes provided and in no case may any society be entitled to any share of the stipend unless it has raised and paid in premiums in the classes set forth at least \$200. No society may receive any portion of the stipend in excess of \$10,000, except that such limitation shall does not apply to any additional stipend provided for by Title 8, section 274 275-F. No society may receive any portion of such the stipend unless it has regularly entered and displayed in an attractive manner upon its exhibition grounds distinct exhibits or entries of vegetables, fruits, grains or dairy products, or of subordinate and other granges and 4-H clubs, of a quality acceptable to the commissioner or his the commissioner's regularly authorized agent and of varieties known to be common or standard to the county in which such the exhibition if is held.

Sec. 3. 8 MRSA §268, 2nd ¶, as amended by PL 1993, c. 95, §1, is further amended to read:

The commission may adopt rules for licensing and operating off-track betting facilities. The commission shall mail notice of proposed rules or proposed amendments to rules related to off-track betting to each member of the joint standing committee of the Legislature having jurisdiction over legal affairs matters and to each member of the joint standing committee of the Legislature having jurisdiction over agricultural matters not less than 20 days before a public hearing on the proposed rule or amendment and not less than 20 days before adoption of such a rule or amendment without a public hearing. The notice must include a copy of the proposed rule or amendment. ~~This paragraph is repealed 91 days after adjournment of the First Regular Session of the 117th Legislature.~~

2 **Sec. 4. 8 MRSA §271, sub-§2, ¶A**, as enacted by PL 1985, c.
4 444, §2, is amended to read:

6 A. The revenues to be generated, consistent with the
8 profitability and financial health of the licensee, for the
10 General Fund pursuant to section 275 275-H; the purse
 supplements pursuant to section 275 275-I; the Sire Stakes
 Fund pursuant to section 281; and the Stipend Fund pursuant
 to Title 7, section 62;

12 **Sec. 5. 8 MRSA §274**, as amended by PL 1991, c. 686, §1, is
14 repealed.

16 **Sec. 6. 8 MRSA §274-A**, as amended by PL 1991, c. 686, §2, is
 repealed.

18 **Sec. 7. 8 MRSA §275**, as amended by PL 1991, c. 579, §12, is
20 repealed.

22 **Sec. 8. 8 MRSA §§275-A to 275-L** are enacted to read:

24 **§275-A. Definitions**

26 As used in sections 275-A to 275-L, unless the context
28 otherwise indicates, the following terms have the following
 meanings.

30 1. **Commercial track.** "Commercial track" means a harness
32 horse racing track licensed under this chapter to conduct harness
 horse racing with pari-mutuel wagering that:

34 A. If the population within the 50-mile radius of the track
36 is 150,000 or more, conducted racing on more than 100 days
 in the previous 2 calendar years; or

38 B. If the population within the 50-mile radius of the track
40 is less than 150,000, conducted racing on more than 25 days
 in the previous 2 calendar years.

42 2. **Commissions.** "Commissions" means all amounts not paid
 or payable to persons placing winning wagers.

44 3. **Common pool or commingled pool.** "Common pool" or
46 "commingled pool" means a pool in which wagers placed at more
48 than one location are merged for purposes of determining the
 payout on winning wagers.

2 4. Exotic wagers. "Exotic wagers" means wagers in which
the bettor selects 2 or more horses in one or more races in a
single wager.

4
6 5. Extended meet. "Extended meet" means a series of
harness horse races, except harness horse races conducted by an
agricultural society at the time of its annual fair.

8
10 6. Licensee. "Licensee" means a person licensed under
section 271 or section 275-D to conduct pari-mutuel wagering on
horse racing in this State.

12
14 7. Municipal officers. "Municipal officers" has the same
meaning as in Title 28-A, section 2, subsection 21 except that,
when an off-track betting facility is proposed in an
16 unincorporated location, the term "municipal officers" means the
county commissioners of the county in which the facility is to be
18 located and the term "municipality" means the unincorporated
location.

20
22 8. Off-track betting facility. "Off-track betting
facility" means a facility other than a racetrack at which a
person is licensed to conduct pari-mutuel wagering on simulcast
24 racing.

26
28 9. Off-track betting licensee. "Off-track betting
licensee" means a person who has obtained a license to conduct
pari-mutuel wagering at an off-track betting facility.

30
32 10. Racing licensee. "Racing licensee" means a person who
is authorized under section 271 to conduct harness horse racing
in this State.

34
36 11. Regular wagers. "Regular wagers" means wagers other
than exotic wagers.

38 **§275-B. Sale of pari-mutuel pools**

40 The following persons may sell pari-mutuel pools on horse
racing in accordance with this chapter and rules adopted by the
commission.

42
44 1. Racetracks. A person licensed pursuant to section 271
to conduct harness horse racing with pari-mutuel betting may sell
pari-mutuel pools within the enclosure of the racetrack where the
46 licensed race or race meet is conducted.

48
50 2. Off-track betting facility. A person licensed pursuant
to section 275-D to operate an off-track betting facility may
sell pari-mutuel pools at that licensed facility.

2 **§275-C. Common pari-mutuel pools**

4 A person authorized to sell pari-mutuel pools on horse
6 racing may sell common pari-mutuel pools for simulcast races.
8 The sale must be conducted within the enclosure of the licensee's
10 racetrack or at the licensee's off-track betting facility.

12 **§275-D. Off-track betting**

14 **1. Off-track betting on simulcast racing.** A person may
16 conduct pari-mutuel wagering at a Class A restaurant, as defined
18 in Title 28-A, section 2, subsection 15, paragraph R, in this
20 State if the restaurant is licensed as an off-track betting
22 facility under this section.

24 **2. Application for off-track betting.** To obtain a license
26 to conduct pari-mutuel wagering at an off-track betting facility,
28 a person must submit to the commission an application on a form
30 prescribed by the commission that specifies at least the
32 following:

34 **A. The number of permanent and part-time jobs to be created**
36 **at the proposed facility;**

38 **B. The population of the municipality and surrounding area**
40 **where the proposed facility is to be located;**

42 **C. The exact location of the proposed facility and**
44 **its proximity to any other approved off-track betting**
46 **facility or licensed racetrack;**

48 **D. The type of seating to be provided, including areas in**
the proposed facility where patrons can handicap races;

E. The total seating capacity of the proposed facility;

F. The size and number of toilet facilities;

G. The availability of food and beverages, including the
number of tables, chairs, kitchen facilities and concession
stands;

H. The number of available parking spaces;

I. A description of the general design or style of the
proposed facility, including lighting, decor and plans for
the exterior of the facility;

- 2 J. The number of betting windows and stand-alone betting terminals to be provided;
- 4 K. A description of the heating and air-conditioning units, the smoke removal equipment and other climate control devices;
- 6
- 8 L. The total area in square feet of the proposed facility;
- 10 M. The number, type and quality of the television equipment to be installed and, if applicable, the name and place of business of any proposed independent contract operator;
- 12
- 14 N. The full name and address of the person, association or corporation applying for the license; if an association, the names and residences of the members of the association; and if a corporation, the name of the state under which it is incorporated with its principal place of business and the names and addresses of its directors and stockholders;
- 16
- 18
- 20
- 22 O. The dates and times of day or night when it is desired to conduct wagering;
- 24
- 26 P. Whether the facility is owned or leased and, if leased, the name and residence of the fee owner or, if a corporation, the names and residences of the directors and stockholders of that corporation;
- 28
- 30 Q. A statement of the assets and liabilities of the person, association or corporation submitting the application; and
- 32
- 34 R. The name of the entity that will originate each simulcast likely to be offered for wagering at the facility and other information required by the commission regarding that entity.
- 36
- 38 **3. Notice to commercial racetracks; objections.** An applicant shall send written notice of its application for an off-track betting license to any commercial racetrack in whose market area the facility will be located and shall present proof to the commission that it has provided the notice. The notice must include all information contained in the application except information described in paragraph O. A commercial racetrack shall notify the commission within 30 days of receiving notice if the racetrack objects to the location of the facility based on adverse impact to the commercial track. The commission shall suspend consideration of the application for the 30-day objection period. If the commission receives an objection from a racetrack in whose market area the facility would be located within the 30-day period, the commission shall reject the application. If
- 50

2 the commission does not receive an objection within that period,
3 the commission may proceed to consider the application. For
4 purposes of this section, the market area is the area within a
5 50-mile radius of the commercial racetrack, except that the
6 market area changes to a 37.5-mile radius on November 1, 1994 if
7 the commission has not issued a license for an off-track betting
8 facility in the State by November 1, 1994 and to a 25-mile radius
9 on November 1, 1995 if the commission has not issued a license
10 for an off-track betting facility in the State by November 1,
11 1995.

12 **4. Notice to off-track betting facilities; objections.** An
13 applicant shall send written notice of its application for an
14 off-track betting license to any existing off-track betting
15 facility in whose market area the proposed facility will be
16 located and shall present proof to the commission that it has
17 provided the notice. The notice must include all information
18 contained in the application except information described in
19 paragraph Q. An existing off-track betting facility shall
20 notify the commission within 30 days of receiving notice if the
21 facility objects to the location of the proposed facility. The
22 commission shall suspend consideration of the application for the
23 30-day objection period. If the commission receives an objection
24 from an off-track betting facility in whose market area the
25 facility would be located within the 30-day period, the
26 commission shall reject the application. If the commission does
27 not receive an objection within that period, the commission may
28 proceed to consider the application. For purposes of this
29 section, the market area is the area within a 35-mile radius of
30 the off-track betting facility.

32 **5. Municipal approval.** The commission may not grant a
33 license to conduct pari-mutuel wagering at an off-track betting
34 facility unless the facility is approved in accordance with this
35 subsection by the municipal officers of the municipality in which
36 the facility is to be located.

38 **A.** Within 15 days after receiving an application for an
39 off-track betting facility license or within 15 days after
40 the expiration of the 30-day objection period described in
41 subsections 3 and 4 when the proposed facility is located
42 within the market area of an existing off-track betting
43 facility or a commercial racetrack, the commission shall
44 notify the municipal officers of the municipality in which
45 the facility is to be located and shall send a copy of the
46 application to those officers. The municipal officers shall
47 hold a public hearing for the consideration of the
48 application in accordance with this subsection.

2 B. The municipal officers shall provide public notice of a
4 hearing held under this subsection by causing a notice
6 stating the name and place of hearing, at the applicant's
8 prepaid expense, to appear on at least 6 consecutive days
10 before the date of hearing in a daily newspaper of general
12 circulation in the municipality where the facility will be
14 located or on 2 consecutive weeks before the date of the
16 hearing in a weekly newspaper of general circulation in the
18 municipality where the facility is to be located.

20 C. Following the public hearing, the municipal officers
22 shall grant or deny approval of the facility, indicate the
24 reasons for their decision and provide a copy to the
26 applicant.

28 D. Approval of a facility may be denied on one or more of
30 the following grounds:

32 (1) Objection on policy or other grounds to the
34 conduct of pari-mutuel wagering within the municipality;

36 (2) Conviction by the applicant or a holder of more
38 than 50% of the shares or other interests of the
40 applicant of a Class A, Class B or Class C crime;

42 (3) Noncompliance of the facility or the facility's
44 use with a local zoning ordinance or other land use
46 ordinance;

48 (4) Conditions of record, such as waste disposal
50 violations, health or safety violations and repeated
parking or traffic violations, on or in the vicinity of
the facility and caused by persons patronizing or
employed by the facility or other conditions caused by
persons patronizing or employed by the facility that
unreasonably disturb, interfere with or affect the
ability of persons or businesses residing or located in
the vicinity of the facility to use their property in a
reasonable manner;

(5) Repeated incidents of record of breaches of the
peace, disorderly conduct, vandalism or other
violations of law on or in the vicinity of the facility
and caused by persons patronizing or employed by the
facility; or

(6) A violation of any provision of this section.

E. An applicant aggrieved by the decision of the municipal
officers under this section may appeal to the Superior

2 Court. Denial of approval on the grounds listed under
paragraph D, subparagraph (1) is not reviewable by the court.

4 6. Requirements for approval of license. The commission
shall review the application and hold a public hearing on the
6 application. The commission may issue a license to conduct
pari-mutuel wagering at an off-track betting facility if:

8 A. The commission finds that the facility:

10 (1) Will not adversely affect the public interest;

12 (2) Will not adversely affect the integrity of live
14 racing;

16 (3) Will not have an adverse impact on the local
18 community;

20 (4) Provides a potential for job creation, including
jobs in the racing and wagering industries and other
22 service jobs;

24 (5) Has adequate seating facilities, toilet facilities
and parking;

26 (6) Will not adversely affect the value of abutting
28 property;

30 (7) Will be operated by an applicant with financial
ability to maintain the facility in a manner that meets
32 the standards set forth in this paragraph;

34 (8) Provides segregated areas for conducting betting
separate from the areas in which restaurant or other
services are provided to the general public for
36 nonbetting purposes; and

38 (9) Will not adversely affect existing licensed
off-track betting facilities within 35 miles of the
40 proposed facility.

42 B. The municipal officers of the municipality in which the
facility is to be located have approved the facility
44 pursuant to subsection 5;

46 C. The commission is satisfied that the provisions of this
chapter and any rules prescribed by the commission will be
48 fully complied with during the coming year by the person,
association or corporation applying for a license; that the
50 applicant, its members, directors, officers, shareholders,

2 employees, creditors and associates are of good moral
3 character; and that the applicant is financially
4 responsible; and

5 D. No commercial racetrack or off-track betting facility in
6 whose market area the facility would be located has filed a
7 written objection to the facility within the time period
8 prescribed in subsections 3 and 4.

9 7. Operation of facility. An off-track betting licensee
10 may not permit a person under the age of 16 to enter the facility
11 unless accompanied by a parent, legal guardian or custodian, as
12 defined in Title 22, section 4002. The off-track betting
13 licensee may not permit a person under the age of 18 within 15
14 feet of a betting window or other place for accepting wagers.

15 8. Requirements for simulcasting. The following
16 requirements apply to simulcasting by off-track betting
17 facilities.

18 A. An off-track betting facility located within a 75-mile
19 radius of a noncommercial racing licensee may not present a
20 simulcast at the same time that racing licensee is
21 conducting live racing, unless the racing licensee consents
22 and the facility pays the racing licensee 2% of the wagers
23 made at the facility at the time live racing is being
24 conducted. An off-track betting facility within a 50-mile
25 radius of a noncommercial racing licensee may not present a
26 simulcast during any day on which that racing licensee is
27 conducting live racing, unless the racing licensee consents
28 and the facility pays the racing licensee 1% of the wagers
29 made on that day. Amounts payable under this section are
30 taken from the facility's share of wagers authorized in
31 section 275-K.

32 B. If live racing being conducted in this State is
33 available for simulcast, all off-track betting facilities
34 shall provide broadcasts originated in the State on at least
35 50% of the monitors in the facility and shall accept wagers
36 on those races on all of its pari-mutuel selling terminals.
37 The races must be broadcast as announced on the track. At
38 any time harness racing originated in the State is available
39 for simulcast, the facility may not broadcast harness racing
40 from outside the State without approval of:

41 (1) Each racetrack in the State conducting harness
42 racing at that time; and

43 (2) Either the association representing the horsemen
44 at those tracks at that time or the commission.

2 9. Annual report. The commission shall report annually by
4 January 1st to the joint standing committee of the Legislature
6 having jurisdiction over legal affairs matters and to the joint
8 standing committee of the Legislature having jurisdiction over
10 agricultural matters on the effect of off-track betting
12 facilities on the local economy, the public interest, the
14 integrity of live racing and other matters the commission finds
16 appropriate. The commission may include in its report any
18 recommendations for necessary changes in laws governing off-track
20 betting.

22 **§275-E. Limit on total commission**

24 1. Commissions. Except as provided in subsection 2, the
26 total commission on pools of regular wagers is 18% of each dollar
28 wagered and the total commission on pools of exotic wagers is 26%
30 of each dollar wagered, plus the odd cents of all redistribution
32 to be based on each dollar wagered, whether regular wagers or
34 exotic wagers, exceeding a sum equal to the next lowest multiple
36 of 10, known as "breakage," which must be retained by the
38 licensee.

40 2. Commissions on interstate common pools. The total
42 commission on interstate common pari-mutuel pools may not exceed
44 the amount established by the laws of the state in which the
46 wager is being pooled. In the event of a minus pool, the
48 licensee shall pay the amount established by the laws of the
50 state in which the race is held.

§275-F. Amounts payable to the Stipend Fund

A licensee shall pay the following amounts to the Treasurer
 of State for distribution as specified in subsection 3.

1. Interstate commingled pools. A licensee shall pay
 6.590% of the commission on regular wagers made to interstate
 commingled pools and 4.494% of the exotic wagers made to those
 pools.

2. All other pools. A licensee shall pay 1.186% of the
 commission on regular wagers made to all pools other than
 interstate commingled pools and 1.169% of the exotic wagers made
 to those pools.

3. Distribution. The Treasurer of State shall credit .189%
 of the commission on regular wagers made to interstate commingled
 pools, .402% of the commission on exotic wagers made to
 interstate commingled pools, .072% of the regular wagers made to
 all other pools and .049% of the exotic wagers made to all other

2 pools to the Stipend Fund provided in Title 7, section 62 and
3 shall distribute the balance in the following manner.

4 A. The first \$295,000 of the total amount, regardless of
5 when actually collected, must be credited to the Stipend
6 Fund provided in Title 7, section 62.

8 B. From the next \$55,000 of the total amount, regardless of
9 when actually collected, 75% must be paid and returned no
10 later than 30 days after the end of the calendar year to
11 those persons, associations and corporations that, during
12 that calendar year, conducted an extended meet pursuant to a
13 license granted by the commission as provided in section
14 271. This payment must be divided in the proportion that
15 the contributions of regular and exotic wagers to
16 pari-mutuel pools made or conducted at the extended meets of
17 each racing licensee during that calendar year bear to the
18 total contributions of regular and exotic wagers to
19 pari-mutuel pools made or conducted at the extended meets of
20 all racing licensees during that calendar year. Licensees
21 sharing in this distribution shall use 1/2 of the funds so
22 received for the purpose of supplementing purse money.

24 The remaining 25% must be credited to the Stipend Fund
25 provided in Title 7, section 62.

26
27
28 C. From the balance of the total amount in excess of
29 \$350,000, regardless of when actually collected, 80% must be
30 paid and returned no later than 30 days after the end of the
31 calendar year to those persons, associations and
32 corporations that during that calendar year, conducted an
33 extended meet pursuant to a license granted by the
34 commission in section 271. This payment must be divided in
35 the proportion that the contributions of regular and exotic
36 wagers to pari-mutuel pools made or conducted at the
37 extended meets of each racing licensee during that calendar
38 year bear to the total contributions of regular and exotic
39 wagers to pari-mutuel pools made or conducted at the
40 extended meets of all racing licensees during that calendar
41 year. Licensees sharing in this distribution shall use 1/2
42 of the funds so received for the purpose of supplementing
43 purse money.

44 The remaining 20% must be credited to the Stipend Fund
45 provided in Title 7, section 62.

46 **§275-G. Amounts payable to Sire Stakes Fund**

47
48 A licensee shall pay the following amounts to the commission
49 to be credited to the Sire Stakes Fund created in section 281.
50

2 1. Interstate commingled pools. A licensee shall pay
4 .400% of the commission on regular wagers made to interstate
6 commingled pools and 5.965% of the commission on exotic wagers
 made to those pools.

8 2. All other pools. A licensee shall pay .072% of the
10 regular wagers made to pools other than interstate commingled
 pools and 1.551% of the exotic wagers made to those pools.

12 §275-H. Amounts payable to General Fund

14 1. Definition. For the purpose of this section,
16 "improvements" means the amount paid out for new buildings or for
18 permanent improvements made to improve the facilities utilized by
20 the licensee for conducting its racing meetings; or the amount
22 expended in restoring property or in improving the facility or
24 any part of the facility that results in the addition or
26 replacement of a fixed asset. In general, the amounts referred
 to as improvements include amounts paid that add to the value,
 improve or substantially prolong the useful life of the race
 track utilized by the licensee for conducting its racing
 meetings. Amounts paid or incurred for repairs and maintenance
 of property, interest expense or lease payments in connection
 with the capital improvements are not improvements within the
 meaning of this section.

28 2. Payments. A licensee shall pay to the Treasurer of
30 State, to be credited to the General Fund, the following amounts.

32 A. A licensee shall pay 2.739% of the commission on regular
34 wagers made to interstate commingled pools and 8.647% of the
 commission on exotic wagers made to those pools.

36 B. A licensee shall pay .493% of the regular wagers made to
38 pools other than interstate commingled pools and 2.248% of
 the exotic wagers made to those pools.

40 3. Distribution when wager total exceeds \$33,500,000. If
42 the total of regular and exotic wagers placed at facilities
44 licensed under this chapter exceeds \$33,500,000 for any calendar
46 year, the portion payable to the General Fund must be distributed
 in accordance with this subsection. All wagers placed at
 off-track betting facilities and racetracks must be included in
 making this calculation, including wagers made in this State to
 commingled pools.

48 A. The Treasurer of State must return to commercial meet
50 licensees 72% of the revenue credited to the General Fund
 under this section attributable to amounts in excess of

2 \$33,500,000. This payment must be divided in the proportion
4 that the contributions of regular and exotic wagers of
6 pari-mutuel pools made or conducted at the commercial meets of
8 each licensee during the calendar year bear to the total
10 contributions of regular and exotic wagers to pari-mutuel
12 pools made or conducted at the commercial meets of all
14 licensees during that calendar year. Licensees sharing in
16 this distribution shall use 1/2 of the funds received for
18 the purpose of supplementing purse money. The other 1/2 of
20 this distribution must be paid to the commercial licensees
22 as reimbursement for improvements made to their racing
24 facilities in the calendar year during which the funds are
26 generated. To receive reimbursement, commercial licensees
28 must submit plans for the improvements to the commission and
30 receive approval from the commission prior to making the
32 improvements and the commission must verify that the
34 approved improvements have been made.

36 B. Nine percent of the revenue credited to the General Fund
38 under this section attributable to this excess must be
40 distributed to the Stipend Fund provided in Title 7, section
42 62.

44 C. Nine percent of the revenue credited to the General Fund
46 under this section attributable to this excess must be paid
48 to the commission to be credited to the Sire Stakes Fund
50 provided in section 281.

§275-I. Amounts payable to supplement purses

52 1. Interstate commingled pools. The following percentage
54 of the commission on wagers made to interstate commingled pools
56 must be used to supplement purses:

58 A. For wagers placed at an off-track betting facility on a
60 simulcast race, 8.399% of the commission on regular wagers
62 and 16.558% of the commission on exotic wagers, which must
64 be sent to the commission for distribution in accordance
66 with subsection 3; and

68 B. For wagers placed at a racetrack in the State on a
70 simulcast race, 8.399% of the commission on regular wagers
72 and 16.558% of the commission on exotic wagers, which must
74 be retained by the licensee to supplement purse money at the
76 track where the wager was placed, and 5.479% of the
78 commission on regular wagers and 3.809% of the commission on
80 exotic wagers, which must be sent to the commission for
82 distribution in accordance with subsection 3.

2 2. All other pools. The following percentage of wagers
3 made to pools other than interstate commingled pools must be used
4 to supplement purses:

6 A. For wagers placed at a racetrack in the State on live
7 racing conducted at that track, .526% of regular wagers and
8 3.315% of exotic wagers, which must be retained by the
9 licensee to supplement purses at that track, and .986% of
10 regular wagers and .990% of exotic wagers, which must be
11 sent to the commission for distribution in accordance with
12 subsection 3:

14 B. For wagers placed at a racetrack in the State on a
15 simulcast race, 1.512% of regular wagers and 4.305% of
16 exotic wagers, which must be retained by the licensee to
17 supplement purse money at the track where the wager was
18 placed, and .986% of regular wagers and .990% of exotic
19 wagers, which must be sent to the commission for
20 distribution in accordance with subsection 3;

22 C. For wagers placed at an off-track betting facility on a
23 harness race conducted in the State, 5.062% of regular
24 wagers and 7.871% of exotic wagers, which must be sent to
25 the track in the State where the harness race was conducted;
26 and

28 D. For wagers placed at an off-track betting facility on an
29 interstate simulcast race, 1.512% of regular wagers and
30 4.305% of exotic wagers, which must be sent to the
31 commission for distribution in accordance with subsection 3.

32 3. Distribution based on race dates. Payments made under
33 subsections 1 and 2 for distribution in accordance with this
34 subsection must be divided equally among licensees conducting
35 live racing in the State in proportion to the number of racing
36 days granted by the commission and actually raced by that
37 licensee and the total number of racing days granted in any one
38 year by the commission and actually raced by all licensees.
39 Payment must be made by the end of the calendar year.

40 **§275-J. Amounts payable to or retained by racetracks**

42 1. Interstate commingled pools. Racetracks in the State
43 are entitled to receive the following amounts from wagers made to
44 interstate commingled pools:

46 A. For wagers made at an off-track betting facility on a
47 simulcast race, 18.627% of the commission on regular wagers
48 and 12.951% of the commission on exotic wagers, which must

2 be sent to the commission for distribution in accordance
3 with subsection 3; and

4 B. For wagers made at a racetrack on simulcast races,
5 75.005% of the commission on regular wagers and 59.564% of
6 the commission on exotic wagers, which must be retained by
7 the racetrack where the wager was placed.

8
9 2. All other pools. Racetracks in the State are entitled
10 to receive the following amounts from wagers made to pools other
11 than interstate commingled pools:

12
13 A. For wagers placed at the racetrack on live racing,
14 14.487% of regular wagers and 16.477% of exotic wagers,
15 which must be retained by the licensee;

16
17 B. For wagers placed at the racetrack on simulcast racing,
18 13.501% of regular wagers and 15.487% of exotic wagers,
19 which must be retained by the licensee;

20
21 C. For wagers placed at an off-track betting facility on
22 harness racing within the State, 7.889% of regular wagers
23 and 7.923% of exotic wagers, which must be sent by the
24 off-track betting facility to the racetrack where the race
25 was conducted; and

26
27 D. For wagers placed at an off-track betting facility on
28 races conducted outside this State, 3.353% of regular wagers
29 and 3.367% of exotic wagers, which must be sent to the
30 commission for distribution in accordance with subsection 3.

31
32 3. Distribution based on wagered amounts. Amounts payable
33 under subsections 1 and 2 for distribution in accordance with
34 this subsection must be divided equally among commercial race
35 tracks in the State that provide simulcast transmission of live
36 racing in the State in proportion to the amount of wagers placed
37 at off-track betting facilities on simulcast races from that
38 licensee in the previous calendar year and the total amount
39 wagered at off-track betting facilities on races simulcast from
40 all commercial racetracks in that year. In the first year of
41 distribution, the amounts must be distributed based on the
42 proportion of wagers made in that first year.

43
44 §275-K. Amounts retained by off-track betting facility

45
46 Off-track betting facilities may retain the following
47 portions of wagers placed at the facility.

48
49 1. Interstate commingled pools. An off-track betting
50 facility may retain 61.857% of the commission on regular wagers

2 made to interstate commingled pools and 50.422% of the commission
3 on exotic wagers made to those pools.

4 2. All other pools. An off-track betting facility may
5 retain 3.048% of regular wagers placed on harness races conducted
6 in the State and made to pools other than interstate commingled
7 pools, 4.989% of exotic wagers on those races and made to those
8 pools and 11.134% of regular wagers placed on interstate
9 simulcasts and made to those pools and 13.110% of exotic wagers
10 made on those races to those pools.

11 3. Other sharing arrangements. This section does not
12 prohibit an off-track betting facility from entering into a
13 contract or otherwise arranging to share with any other person or
14 entity a portion of the wagers to which it is entitled under this
15 section.

16 **§275-L. Amounts deposited in Harness Racing Promotional Fund**

17 The following amounts must be paid to the commission for
18 deposit in the Harness Racing Promotional Fund created in section
19 284.

20 1. Interstate commingled pools. An amount of 1.389% of the
21 commission on regular wagers made to interstate commingled pools
22 and .962% of the commission on exotic wagers made to those pools
23 must be paid to the commission.

24 2. All other pools. An amount of .25% of all wagers made
25 to pools other than interstate commingled pools must be paid to
26 the commission.

27 **Sec. 9. 8 MRSA §276 is amended to read:**

28 **§276. Payments**

29 The payment under section 275-~~shall~~ 275-H must be made not
30 later than 7 days after each race and shall must be accompanied
31 by a report under oath showing the total of all said
32 contributions to pari-mutuel pools covered by such the report and
33 such other information as the commission may require.

34 **Sec. 10. 8 MRSA §284 is enacted to read:**

35 **§284. Harness Racing Promotional Board**

36 1. Board created. The Harness Racing Promotional Board, as
37 established in Title 5, section 12004-G and referred to in this
38 section as the "board," is created to promote the industry of
39 harness racing in the State.

2 2. Membership. The board consists of 9 members, to be
4 appointed by the commission as follows:

6 A. One person recommended by a statewide association of
8 harness horse trainers, drivers and other persons active in
10 the conduct of harness racing in the State;

12 B. One person representing agricultural fairs;

14 C. Two persons representing commercial tracks in this
16 State, provided that not more than one person per track is
18 appointed;

20 D. Two members of the public who demonstrate knowledge and
22 support of the harness racing industry;

24 E. One member of the commission; and

26 F. Two persons recommended by the statewide association of
28 standard horse breeders and owners.

30 One-third of the initial appointments must be for a one-year
32 term; 1/3 for a 2-year term and the final 3rd for a 3-year term.
34 Subsequent appointments must be made for 3-year terms. Board
36 members shall annually elect a chair from among the membership by
38 majority vote.

40 3. Powers and duties. The board shall develop and
42 implement plans to promote harness racing in the State. To
44 achieve this purpose, the board may make contracts with any
46 agency, corporation or other entity.

48 4. Staff; facilities. The board is located within the
50 Department of Agriculture, Food and Rural Resources. That
department shall provide staff to the board as needed.

5. Expenses. Members of the board are not entitled to
reimbursement for expenses.

6. Fund created. The Harness Racing Promotional Fund is
established in the Department of Agriculture, Food and Rural
Resources to carry out the purposes of this section. The fund
consists of all amounts dedicated to it in section 275-L and all
other funds donated to or otherwise obtained by the board or the
department for use of the Harness Racing Promotional Board.
Money in the fund is subject to allocation by the Legislature.
Unexpended balances in the fund at the end of the fiscal year may
not lapse, but must be carried forward to be used for the same
purpose.

2 7. Report. By February 15th of each year, the board shall
 4 report to the joint standing committee of the Legislature having
 6 jurisdiction over agricultural matters on the activities of the
 8 board and expenditures from the fund.

10 **Sec. 11. Allocation.** The following funds are allocated from
 12 Other Special Revenue to carry out the purposes of this Act.

	1993-94	1994-95
12 AGRICULTURE, FOOD AND		
14 RURAL RESOURCES,		
16 DEPARTMENT OF		
18 State Harness Racing Commission		
20 All Other	\$554,504	\$1,071,257
22 Provides for the allocation		
24 of funds for the operating		
26 costs of the Harness Racing		
Promotional Board and for		
certain other accounts		
administered by the State		
Harness Racing Commission.		

28 **Emergency clause.** In view of the emergency cited in the
 30 preamble, this Act takes effect when approved.

32 **FISCAL NOTE**

	1993-94	1994-95
36 APPROPRIATIONS/ALLOCATIONS		
38 Other Funds	\$554,504	\$1,071,257
40 REVENUES		
42 General Fund	\$101,673	\$199,382
44 Other Funds	554,504	1,107,257

46 The expansion of opportunities for development of off-track
 48 betting sites will increase General Fund revenues and dedicated
 50 revenues derived from the State's share of withholdings from
 wagers. The estimated increases of General Fund revenues are
 \$101,673 and \$199,382 for fiscal years 1993-94 and 1994-95,
 respectively. The estimated increases of Other Special Revenue

are \$554,504 and \$1,071,257 for fiscal years 1993-94 and 1994-95, respectively.

The State Harness Racing Commission will require additional Other Special Revenue allocations of \$554,504 and \$1,071,257 in fiscal years 1993-94 and 1994-95, respectively, for the operations of the newly established Harness Racing Promotional Board and certain other dedicated accounts administered by the State Harness Racing Commission.'

STATEMENT OF FACT

The amendment replaces the bill. It makes the following changes to the laws relating to harness racing in the State:

1. Creates the Harness Racing Promotional Board;
2. Permits a person to apply for a license to operate an off-track betting facility at a Class A restaurant. Current law permits only persons who have live racing licenses to apply;
3. Strikes the repeal of off-track betting authorization. The authorization was scheduled to be repealed in 1995;
4. Provides for the distribution of commission on wagers made to interstate commingled pools;
5. Permits existing off-track betting facilities and commercial racetracks to object to the location of an off-track betting facility within the racetrack's market area, but reduces the protected area of a commercial racetrack if off-track betting licenses are not issued within a certain period of time;
6. Requires an off-track betting facility to carry simulcasts of live races in the State if they are available for simulcast;
7. Increases the percentage of wagers used to supplement purses in certain situations; and
8. Places in statute the percent of wagers retained by racetracks and off-track betting facilities.

The amendment also adds an emergency clause and preamble, a fiscal note and an allocation section.

Reported by the Committee on Agriculture
Reproduced and distributed under the direction of the Clerk of the House
6/2/93

(Filing No. H-556)