

L.D. 1670

DATE: 3/25/94

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(Filing No. H- 948)

MAJORITY AGRICULTURE

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

18 COMMITTEE AMENDMENT "//" to H.P. 1243, L.D. 1670, Bill, "An 20 Act to Amend the Harness Racing Laws"

22 Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its 24 place the following:

'**Sec. 1. 8 MRSA §271, sub-§1,** as amended by PL 1991, c. 579, §10, is further amended to read:

Licensing. If the commission is satisfied that all of 1. this chapter and rules prescribed by the commission have been 30 substantially complied with during the past year and will be 32 fully complied with during the coming year by the person, association or corporation applying for a license; that the 34 applicant, its members, directors, officers, shareholders, employees, creditors and associates are of good moral character; 36 that the applicant is financially responsible; and that the award of racing dates to the applicant is appropriate under the criteria contained in subsection 2, it may issue a license for 38 the holding of harness horse races or meets for public exhibition 40 with pari-mutuel pools, which must expire on December 31st. The license may include conditions the commission determines The commission shall set licensing and license 42 reasonable. renewal fees sufficient to carry out the administration and enforcement of the licensing program. These fees may not exceed 44 annually the greater of \$100 or \$10 for each calendar week or part of a week of harness racing regardless of whether 4б pari-mutuel pools are sold. The commission shall provide a booklet containing harness racing laws and rules and relevant 48 portions of the Maine Administrative Procedure Act to every

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initial licensee and a fee not to exceed \$10 must be included in 2 the license fee to cover the cost of this publication. The commission shall provide necessary revisions of this booklet to those persons renewing licenses at the time of renewal and shall 4 include the cost of the revisions, not to exceed \$10, in the renewal fee. The license must set forth the name of the 6 licensee, the place where the races or race meets are to be held 8 and the specific dates and time of day or night during which racing may be conducted by the licensee. The location stated in 10 the license where the race or race meet is to be held may be transferred to any other licensee on the dates set forth in the license during which the racing may be conducted, but, with 12 respect to that transfer, the transfer may only be made to another licensee and the licensee is liable for compliance with 14 all laws and regulations governing the conduct of harness Any such license issued is not transferable or 16 racing. assignable. The Administrative Court Judge, as designated in 18 Title 4, chapter 25, may revoke any license issued at any time for violation of the commission's rules or licensing provisions _ including license conditions, upon notice and hearing. 20 The license of any corporation is automatically revoked, subject to 22 Title 5, chapter 375, upon the change in ownership, legal or equitable, of 50% or more of the voting stock of the corporation and the corporation may not hold a harness horse race or meet for 24 public exhibition without a new license.

Sec. 2. 8 MRSA §275, sub-§2-A is enacted to read:

2-A. License and application fees. A person granted an initial off-track betting license or a renewal license must pay a license fee of \$500. An applicant for an initial license must also submit a nonrefundable application fee of \$1,000 with the initial application. License fees must be placed in a dedicated, nonlapsing account to be used by the commission for the conduct of its activities.

Sec. 3. 8 MRSA §275-D, sub-§§3 and 4, as enacted by PL 1993, c. 38 388, §8, are amended to read:

40 3. Notice to commercial racetracks; objections. An applicant shall send written notice of its application for \mathtt{an} off-track betting license to any commercial racetrack in-whose 42 market-area-the-facility-will-be-located-and within 50 miles of the proposed facility, measured along the most direct reasonable 44 route of travel. The applicant shall present proof to the commission that it has provided the notice. The notice must 46 include all information contained in the application except information described in paragraph Q. 48 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 50 adverse impact to the commercial track. The commission shall suspend consideration of the application for the 30-day objection 52

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period. If, within the 30-day period, the commission receives an 2 objection from a racetrack in whose market area the facility would be located within-the -30 day-peried, the commission shall reject the application. If the commission does not receive an 4 objection within that period, the commission may proceed to 6 consider the application. For-purposes-of-this-section,--the market-area-is-the-area-within-a-50-mile-radius-of-the-commercial 8 racetrack,--except--that--the-market--area-changes--to--a-37.5-mile #adius-on-Nevember-1,--1994-if--the-commission-has-net-issued-a license--for--an--off-track--betting--facility--in--the--State--by 10 November-17-1994-and-to-a-25-mile-radius-on-November-17-1995-if 12 the - commission - has - not -issued - a - license - for - an -off - track - betting facility-in-the-State-by-Nevember-1,-1995.

4. Notice to off-track betting facilities; objections. An 16 applicant shall send written notice of its application for an off-track betting license to any existing off-track betting 18 facility in-whose-market-area-the-proposed-facility-will-be leeated-and within 35 miles of the proposed facility, measured along the most direct reasonable route of travel. The applicant 20 shall present proof to the commission that it has provided the 22 notice. The notice must include all information contained in the application except information described in paragraph Q. An existing off-track betting facility shall notify the commission 24 within 30 days of receiving notice if the facility objects to the 26 location of the proposed facility. The commission shall suspend consideration of the application for the 30-day objection 28 period. If, within the 30-day period, the commission receives an objection from an off-track betting facility in whose market area 30 the facility would be located within-the-30-day-peried, the commission shall reject the application. If the commission does 32 not receive an objection within that period, the commission may proceed to consider the application. For--purposes--of--this 34 sestion, - the-market -area-is-the-area-within-a-35-mile--radius-of the-off-track-betting-facility.

Sec. 4. 8 MRSA §275-D, sub-§§6-A to 6-C are enacted to read:

6-A. License conditions. An off-track betting license may include conditions the commission determines reasonable.

42 6-B. Renewal of license. An applicant seeking renewal of an off-track betting license need not comply with subsection 5. At least 30 days before renewing an off-track betting license, 44 the commission shall notify the municipality in which the facility is located that the application is pending and of any 46 changes proposed in the application. The municipal officers may 48 comment within 30 days of receiving the notice on whether the facility violates or has violated in the past year any municipal zoning or other ordinance, on whether any proposed change in the 50 off-track betting facility may constitute such a violation or on 52 other matters of concern to the municipality. The commission

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shall take comments of the municipal officers into account in acting on the application.

- 6-C, Transfer of license on sale of facility. A license issued under this section is not transferable. If a licensed off-track betting facility is sold, the new owner of the facility may apply for an off-track betting license and the commission shall grant that person a license if:
- 10 <u>A. The person submits the information required in</u> subsection 2;
 - B. The commission finds that the facility meets the standards set forth in subsection 6, paragraphs A and C; and
- 16 <u>C. The person submits the initial application fee and the license fee required by subsection 2-A.</u>
 - Sec. 5. 8 MRSA 275-D, sub-8, A, as enacted by PL 1993, c. 388, 8, is amended to read:
- 22 An off-track betting facility located within a-75-mile Α. Fadius 75 miles of a noncommercial racing licensee, measured 24 along the most direct reasonable route of travel, may not present a simulcast at the same time that the racing licensee is conducting live racing, unless the racing 26 licensee consents and the facility pays the racing licensee 2% of the wagers made at the facility at the time live 28 racing is being conducted. An off-track betting facility 30 within a-50-mile-radius 50 miles of a noncommercial racing licensee may not present a simulcast during any day on which that racing licensee is conducting live racing, unless the 32 racing licensee consents and the facility pays the racing 34 licensee 1% of the wagers made on that day. Amounts payable under this section are taken from the facility's share of 36 wagers authorized in section 275-K.
- 38 Sec. 6. 8 MRSA §275-D, sub-§8, ¶C is enacted to read:
- 40 <u>C. An off-track betting facility located within 35 miles of</u> <u>a commercial racing licensee, measured along the most direct</u>
 42 <u>reasonable route of travel, may not present a simulcast</u> <u>during a day on which that live racing licensee is</u> <u>44</u> <u>conducting live racing, unless the live racing licensee</u> <u>agrees with the off-track betting licensee to permit</u> <u>46</u> <u>simulcasts on that day.</u>
 - Sec. 7. 8 MRSA §275-J, sub-§1, ¶B, as enacted by PL 1993, c. 388, §8, is amended to read:

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B. For wagers made at a racetrack on simulcast races, 75.005% 75.004% of the commission on regular wagers and 59.564% 59.565% of the commission on exotic wagers, which must be retained by the racetrack where the wager was placed.

Sec. 8. 8 MRSA §275-J, sub-§2, ¶C, as enacted by PL 1993, c. 388, §8, is amended to read:

C. For wagers placed at an off-track betting facility on harness racing within the State, 7.889% of regular wagers and 7.923% 7.922% of exotic wagers, which must be sent by the off-track betting facility to the racetrack where the race was conducted; and

Sec. 9. 8 MRSA §275-K, sub-§1, as enacted by PL 1993, c. 388, 16 §8, is amended to read:

 Interstate commingled pools. An off-track betting facility may retain 61-857% 61.856% of the commission on regular
wagers made to interstate commingled pools and 50-422% 50.423% of the commission on exotic wagers made to those pools.

Sec. 10. 8 MRSA §279-A, first ¶, as amended by PL 1991, c. 579, 24 §13, is further amended to read:

26 For the purpose of enabling the State Harness Racing Commission to exercise and maintain a proper control over racing 28 conducted under this chapter, the commission may adopt rules for the licensing, with or without fee in the discretion of the commission, of owners, trainers, drivers, grooms and all other 30 persons participating in harness horse racing, including pari-mutuel employees and race officials. The licenses may 32 include conditions the commission determines reasonable.'

Further amend the bill by inserting at the end before the 36 statement of fact the following:

'FISCAL NOTE

1994-95

44 **REVENUES**

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46 Other Funds

\$7,500

48 The establishment of application and licensing fees for 50 off-track betting facilities will increase dedicated revenue

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collections. The estimated annual increase of dedicated revenue to the State Harness Racing Commission is \$7,500 beginning in fiscal year 1994-95.'

STATEMENT OF FACT

The amendment replaces the bill. It establishes application 10 fees for new and renewal off-track betting licenses, requires the State Harness Racing Commission to notify municipal officers of a renewal application and permits municipal officers to comment on 12 the application. The amendment also clarifies how mileage is to 14 be measured, prohibits simulcasting at an off-track betting facility when commercial live racing is being conducted within 35 16 miles, unless the licensee permits the simulcast, and makes minor adjustments to the distribution of commissions to ensure that distributions add up to the correct number. The amendment also 18 provides for a person who purchases a licensed facility to apply 20 to continue off-track betting at that facility if that person meets certain criteria, and authorizes the commission to include conditions in all licenses it issues. 22

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This amendment also adds a fiscal note to the bill.