



117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 637

S.P. 240

In Senate, February 23, 1995

An Act to Change the Commissions Payable to the State from Off-track Betting.

(EMERGENCY)

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

May In

MAY M. ROSS Secretary of the Senate

Presented by Senator PARADIS of Aroostook.

Cosponsored by Senator: KIEFFER of Aroostook, Representatives: AHEARNE of Madawaska, BAILEY of Township 27, CLARK of Millinocket, DONNELLY of Presque Isle, KNEELAND of Easton, MARTIN of Eagle Lake, O'NEAL of Limestone, SIROIS of Caribou.

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

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Whereas, off-track betting parlors in smaller markets are struggling financially; and

8 Whereas, those parlors provide badly needed jobs and tax dollars for the communities they serve; and

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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,

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

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Sec. 1. 8 MRSA §275-D, sub-§4, as corrected by RR 1993, c. 2, 20 §6, is amended to read:

22 4. Notice to off-track betting facilities; objections. An applicant shall send written notice of its application for an 24 off-track betting license to any existing off-track betting facility in whose market area the proposed facility will be 26 located and shall present proof to the commission that it has provided the notice. The notice must include all information 28 contained in the application except information described in paragraph Q. subsection 2, An existing off-track betting 30 facility shall notify the commission within 30 days of receiving notice if the facility objects to the location of the proposed 32 The commission shall suspend consideration of the facility. application for the 30-day objection period. If the commission receives an objection from an off-track betting facility in whose 34 market area the facility would be located within the 30-day 36 period, the commission shall reject the application. If the commission does not receive an objection within that period, the 38 commission may proceed to consider the application. For purposes of this section, the market area is the area within a 35-mile 40 50-mile radius of the off-track betting facility, except that a person holding an off-track betting license on January 1, 1995 may continue to operate within the 50-mile radius of another 42 off-track betting licensee without that licensee's permission if 44 the person's facility is outside the 35-mile radius of that licensee.

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Sec. 2. 8 MRSA §275-O is enacted to read:

§275-O. Reduced commissions

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1. Reductions. Notwithstanding any other law, the amount payable to the Treasurer of State or the State Harness Racing 2 Commission on regular and exotic wagers made at an off-track 4 betting parlor on interstate simulcast races is reduced in each week in which the total of all wagers made at the parlor is less 6 than \$100,000. A. For any week in which the total of all wagers made at an 8 off-track betting parlor is \$50,000 or less, the amount payable by that licensee under the sections listed in 10 subsection 3 is 20% of the amount required in those sections. 12 B. For any week in which the total of all wagers made at an off-track betting parlor is more than \$50,000 but less than 14 \$100,000, the amount payable by that licensee under the 16 sections listed in subsection 3 is 40% of the amount required in those sections. 18 2. Retention of additional commissions. Any amount not 20 required to be paid to the Treasurer of State or the State Harness Racing Commission as a result of this section is added to the amount retained by the off-track betting parlor under section 22 27<u>5-K.</u> 24 3. Applicability. This section applies only to amounts 26 payable by off-track betting parlors under section 275-F, subsection 1; section 275-G, subsection 1; section 275-H, 28 subsection 2, paragraph A; section 275-I, subsection 1, paragraph A; and section 275-L, subsection 1. 30 Sec. 3. Credit on losses. The Harness Racing Commission and the Treasurer of State shall give credit for amounts payable under 32 the Maine Revised Statutes, Title 8, sections 275-F, 275-G, 275-H, 275-I, and 275-L to any off-track betting parlor that 34 demonstrates that its expenses related to off-track betting exceeded its income from off-track betting in calendar year 1994, 36 as determined by audited financial statements. The total credit 38 must equal the difference between such income and expense and must be divided pro rata among the recipients on the basis of the 40 amount those recipients would otherwise receive from off-track betting wagers. 42 **Emergency clause.** In view of the emergency cited in the 44 preamble, this Act takes effect when approved. 46 STATEMENT OF FACT 48 This bill increases the market area around an off-track 50 betting parlor from a 35-mile radius to a 50-mile radius. A

proposed off-track betting parlor is required to obtain approval from an existing parlor if the proposed parlor is within the market area of the existing parlor.

The bill also reduces the amounts payable by an off-track betting parlor to the State and to certain state programs in any week in which the total wagers made at the parlor are less than \$100,000. The majority of those wagers are returned to bettors as winnings.

Reductions would occur in amounts paid to the Sire Stakes 12 Fund, the Agricultural Stipend Fund, the General Fund, the Harness Racing Promotional Fund and purse supplements.

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Finally, the bill grants a credit toward required payments 16 to parlors that lost money in calendar year 1994, as determined by audited financial statements.