

L.D. 1756

(Filing No. H-685)

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### STATE OF MAINE HOUSE OF REPRESENTATIVES **118TH LEGISLATURE** FIRST SPECIAL SESSION

14HOUSE AMENDMENT "H" to H.P. 1239, L.D. 1756, Bill, "An Act Economic Security and Safety of Regarding the Harness 16Horsepersons"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the 20 following:

'Sec. 1. 8 MRSA §271, sub-§6 is enacted to read:

6. Term of license and race date assignment. Notwithstanding any provision of this chapter to the contrary, 26 each license to conduct live racing or to engage in simulcast 28 wagering, including by operating an off-track betting facility as defined in section 275-A and all awards of race dates issued or made by the commission, beginning with licenses issued and race 30 dates awarded for 1998, may be for a 2-year period; except, that if a commercial track does not use during the first year of any 32 such 2-year license a race date that it was entitled to receive 34 for both years pursuant to section 275-N, then the commission may hold a hearing prior to the 2nd year or the term of that racing license to determine whether the award of that race date for the 3.6 second year of the term should be revoked.

Sec. 2. 8 MRSA §272-A is enacted to read:

§272-A. Trust account

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1. Establishment; deposits. Each licensee conducting live racing in the State shall establish a trust account for the 44 benefit of the horsepersons who race at that licensee's facility. Except as provided in subsections 2, 3, 4 and 5 of 46 this section, all funds that by statute must be used to pay

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purses must be deposited in that account and used exclusively to pay purses, including:

A. All funds distributed to or retained by the licensee to pay or supplement purses pursuant to sections 275-F, 275-H and 275-I, except that any funds may be used to reimburse a licensee for purse overpayment during its race meet. Reimbursement for purse overpayment to a licensee commences in 1998 for any overpayment in the previous calendar year and for any subsequent calendar year in which an overpayment occurs.

2. Bargaining agent funding. One and one-half percent of the amounts deposited in the trust account each month must be paid to the exclusive bargaining agent for horsepersons at that for track if that a representative has been elected pursuant to section 285.

3. Loan permitted. Each licensee may borrow for its operation and not deposit into the trust account established pursuant to subsection 1 money distributed to it pursuant to sections 275-F, 275-H and 275-I, even if the money is not a reimbursement, subject to the following conditions.

A. The amount of money borrowed pursuant to this subsection and not yet repaid at any point in time may not exceed the total amount the licensee paid into the trust account or paid in purses during the prior calendar year over and above the amounts it was required by statute to pay or deposit.

B. Any money borrowed pursuant to this subsection must be 32 repaid to the licensee's trust account with interest calculated equal to the coupon issue yield equivalent, as determined by the United States Secretary of the Treasury, 34 of the average accepted auction price for the last auction 36 of 52-week United States Treasury bills settled immediately prior to the date from which the interest is calculated, 38 plus 4%, in equal daily deposits over the balance of the calendar year beginning with the day after the money is 40 borrowed, except that prepayment may be made without penalty and without consent being required. Repayment on a different 42 schedule is permitted pursuant to the written authorization of the exclusive bargaining agent elected pursuant to 44 section 285, but in any event any repayment must be paid no later than December 31st of the year the funds were borrowed. 46

### 4. Payment if licensee goes out of business. If a licensee 48 fails to conduct a race meet during a calendar year, all remaining funds held in the trust account established under this 50 section by that licensee must be returned to the commission,

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which shall return to the licensee any amount that represented a
reimbursement that equaled an overpayment of purses. Any remaining balance of the trust account must be redistributed by
the commission to the trust account of all racetracks that continue to conduct live racing in the State with each track
receiving that portion of money determined by multiplying the amount of money available for redistribution by a fraction, the
numerator of which is the number of race dates at that racing venue during the prior year, and the denominator of which is the

12 5. Repayment from distribution under section 275-J. If by January 1st of any year a licensee has not repaid in full any money borrowed pursuant to subsection 3, the exclusive bargaining 14agent elected pursuant to section 285 at that track shall notify 16 the commission of the amount of the outstanding debt. The commission shall withhold that amount from the next payment due to that licensee under section 275-J and conduct a hearing to 18 determine whether in fact money borrowed pursuant to subsection 3 20 has not been repaid. If the commission finds that any borrowed amount remains unpaid, the commission shall deposit directly into 22 the licensee's trust account the amount of the withheld money needed to repay the loan and shall tender any balance to the 24 licensee.

Sec. 3. 8 MRSA §275-A. sub-§1, ¶¶ A and B, as enacted by PL 1993, c. 388 §8, are amended to read:

A. If the population within the 50-mile radius of the track is 300,000 or more, conducted racing on more than 100 days in the previous 2 calendar years, except that if a racetrack that qualified as a commercial racetrack under this subsection goes out of business, one new race track opening in a location with a population within a 50-mile radius of the track of 300,000 or more qualifies as a commercial track if it races more than 100 days in a calendar year; or

B. If the population within the 50-mile radius of the track is less than 300,000, conducted racing on more than 25 days in the previous 2 calendar years, except that if a racetrack that gualified as a commercial racetrack under this subsection goes out of business, a new racetrack opening in a location with a population within a 50-mile radius of the track of 300,000 or less gualifies as a commercial track if it races more than 25 days in a calendar year.

#### Sec. 4. 8 MRSA §275-I, sub-§2, ¶E is enacted to read:

E. For wages placed at a racetrack in the State on a simulcast race conducted at another racetrack in the State

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1.512% of regular wagers and 4.305% of exotic wagers, which 2 must be sent to the track in the state where the harness race was conducted and .986% of regular wagers and .990% of 4 exotic wagers, which must be sent to the commission for distribution in accordance with subsection 3. 6 Sec. 5. 8 MRSA §285 is enacted to read: 8 §285. Bargaining agent 10 1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the 12 following meanings. 14 A. "Eligible voter," with respect to each racing segment, means those owners, trainers and drivers who are licensed by 16 this State and who participated during at least 15% of the 18 race dates actually conducted within a racing segment. Any licensed owner, trainer or driver who believes that licensed owner, trainer or driver would have participated in at least 20 15% of the race dates actually conducted within a racing 22 segment except for extraordinary circumstances beyond the licensed owner's, trainer's or driver's control may petition 24 the commission during the following January. If the commission finds that special circumstances in fact did 26 exist and did prevent the licensed owner, trainer or driver from qualifying, the commission shall certify the person as 28 an "eligible voter" with respect to that racing segment. "Exclusive bargaining agent" means the agent elected 30 Β. pursuant to this section to represent licensed harness horse 32 owners, trainers and drivers at race meets conducted within a racing segment. 34 "Participation" means owning, training or driving a С. horse or horses that actually start a race during a race 36 date at a racing segment. 38 D. "Racing segment" means: 40 (1) The racing season during a calendar year at each commercial track within the State; or 42 44 (2) All racing conducted during a calendar year at a track that is not a commercial track. 46 2. Elections to be held. For each racing segment, the 48 commission shall certify, biannually beginning in 1998, eligibility of voters, and shall conduct and certify an election 50 to determine who will be the exclusive bargaining agent to

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represent licensed harness horse owners, trainers and drivers at 2 each racetrack within that racing segment. During each January preceding such an election, the commission, in consultation with the racetracks within each racing segment and in consultation 4 with the existing representatives of licensed harness horse 6 owners, trainers and drivers within that racing segment shall prepare a list of eligible voters within each racing segment. During February of each year for which elections are to be held, 8 the commission shall prepare and forward to each eligible voter 10 within each racing segment a ballot for the election of the exclusive bargaining agent within that racing segment. The 12 ballot must include the name of any incorporated entity that during the preceding January has requested in writing to have its 14 name included on the ballot for that racing segment. Eligible voters for each racing segment are entitled to vote in the 16 election held for that racing segment either by returning the commission's official mailed ballot to the commission not later 18 than the following February 28th or by appearing and voting in person, by secret ballot, at the public polling conducted 20 pursuant to subsection 3.

22 3. Public polling to be held. Every eligible voter within a racing segment must be afforded the opportunity to vote at a public polling for the exclusive bargaining agent to represent 24 horse owners, trainers and drivers within that racing segment. With respect to each commercial track, the public polling must be 26 conducted at the commercial track on one of the first 3 live race 28 dates assigned to the track within the calendar year during which the election is conducted. The public polling with respect to 30 the racing segment that consists of racing at all tracks other than commercial tracks must be conducted during May at a place to 32 be determined by the commission. Notice of the right to vote at such public polling and of the date, time and place of the public polling must included with the ballot mailed by the commission 34 pursuant to subsection 2.

4. Results certified by commission. If one entity receives 38 more than 50% of the total ballots cast under subsections 2 and 3 for election of an exclusive bargaining agent within a racing 40 segment, that bargaining agent shall be certified by the commission as the exclusive bargaining agent within that 42 segment. If no entity receives more than 50% of the ballots and runoff election among the 2 entities receiving the most votes 44 must be conducted as described in subsection 2. The entity receiving the most votes at that runoff election must be certified by the commission as the exclusive bargaining agent for 46 that racing segment. 48

5. Term of certification. Certification of the exclusive bargaining agent with a racing segment is for a 2-year term.

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6. Expenses. Any expenses incurred by the commission in 2 conducting an election must be borne in equal assessments by those organizations requesting to be placed on the ballot for 4 that election. б 7. Repeal. This section is repealed January 1, 2000. 8 Sec. 6. Effective date. This Act takes effect October 15, 1997.' 10 Further amend the bill by inserting at the end before the 12 summary the following: 1416 **FISCAL NOTE** 18 The State Harness Racing Commission within the Department of Agriculture, Food and Rural Resources will incur some minor 20 additional costs to adopt certain rules pertaining to bargaining agents for harness horsepersons and rules pertaining to the 22 distribution of certain unexpended trust fund monies. These costs can be absorbed within the commission's existing budgeted 24 resources. Requiring the State Harness Racing Commission to hold a 26 certain election to determine the bargaining agent for licensed horse owners will result in offsetting minor increases 28 in dedicated revenues and expenditures. 30 SUMMARY 32 34 The amendment replaces the bill. It does the following: It deletes most provisions that did not deal with the 36 1. proposed trust account or with the certification of bargaining 38 agents; 40 2. It preserves the 2-year waiting period before new tracks can qualify as commercial tracks, but creates an exception in the event that an existing commercial track closes; 42 44 3. It provides that licenses to operate race tracks and simulcasting facilities and the assignment of race dates are for 46 2-year periods, so that those licenses will be coextensive with the 2-year term for the certification of bargaining agents to represent licensed harness horse owners, trainers and drivers; 48

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4. The provisions relating to the trust accounts are amended to allow for tracks to borrow from those accounts; and

5. The provisions relating to the election of bargaining agents are amended to provide for separate biannual elections with respect to each of 3 separate racing segments within the harness racing industry.

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