MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 838

H.P. 572

House of Representatives, March 10, 2015

An Act To Enhance Equity and Efficiency for Off-track Betting Facilities

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

ROBERT B. HUNT
Clerk

Presented by Representative PICCHIOTTI of Fairfield.

Cosponsored by Representative: LONGSTAFF of Waterville, Senator: GERZOFSKY of Cumberland.

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

- Sec. 1. 8 MRSA §275-A, sub-§7-A is enacted to read:
- 7-A. Net commission. "Net commission" means the total commission less 6.5% of the amount wagered.
 - Sec. 2. 8 MRSA §275-D, sub-§1, as amended by PL 2011, c. 99, §1, is further amended to read:
 - **1. Off-track betting on simulcast racing.** A person may conduct pari-mutuel wagering at an off-track betting facility that is licensed under this section; if the person is licensed to operate a hotel, as defined in Title 28-A, section 2, subsection 15, paragraph H, with public dining facilities, a Class A lounge, as defined in Title 28-A, section 2, subsection 15, paragraph L, a Class A restaurant, as defined in Title 28-A, section 2, subsection 15, paragraph R, or a Class A restaurant/lounge, as defined in Title 28-A, section 2, subsection 15, paragraph R-1, or if the off-track betting facility is operated by an outside vendor and is located in premises the proprietor of which holds one of the listed licenses.
 - **Sec. 3. 8 MRSA §275-N**, as amended by PL 2003, c. 401, §14, is further amended to read:

§275-N. Limitations on off-track betting facilities

The commission may not allow interstate simulcasting or and license any off-track betting facility regardless of the number of race dates that were conducted in the State for any calendar year unless during the preceding 2 calendar years there were at least 150 race dates on which live racing actually was conducted at the commercial tracks. Interstate simulcasting always must be allowed at any commercial track that conducted at least 136 race dates during the immediately preceding 2 calendar years or at an existing commercial track as defined in section 275-A, subsection 1, paragraph B at which at least 35 race dates were conducted during the preceding 2 years if the interstate simulcasting at the commercial track is conducted during the regular meeting. For the purposes of this section, any race date that the commission determines was canceled due to a natural or other disaster must be counted as a race date. For the purposes of this section and for the purpose of meeting the requirements of section 275-A, subsection 1, any race date that is canceled at a commercial race track due to the inability to meet the requirements of section 275-A, subsection 9-A because of a horse shortage, as verified by the state steward, is counted as a race date.

- **Sec. 4. 8 MRSA §286, sub-§4,** as enacted by PL 1997, c. 528, §46, is amended to read:
- **4. Off-track betting facility interstate simulcasting with commingled pools.** The distribution of the commission on simulcasting of races with commingled pools originating at a racetrack in another state by an off-track betting facility is calculated as <u>a percentage of the commission with respect to the State's share and as percentages of the net commission with respect to all other participants' shares and is distributed as follows.</u>

1 A. On exotic wagers:

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- 2 (1) The state share is 8.647% for an off-track betting facility located in the same municipality as a commercial track and 9.801% for all other facilities;
 - (2) The Sire Stakes Fund share is 5.965%;
- 5 (3) The Stipend Fund share is 4.494%;
 - (4) The purse supplement share is 16.558%;
 - (5) The Harness Racing Promotional Fund share is 0.962%;
 - (6) The off-track betting facility share is 49.269% all amounts not otherwise assigned; and
 - (7) The off-track betting facility simulcast fund share is 12.951%.
 - B. On regular wagers:
 - (1) The state share is 2.739% for an off-track betting facility located in the same municipality as a commercial track and 4.405% for all other facilities;
 - (2) The Sire Stakes Fund share is 0.400%;
 - (3) The Stipend Fund share is 6.590%;
 - (4) The purse supplement share is 8.399%;
 - (5) The Harness Racing Promotional Fund share is 1.389%;
 - (6) The off-track betting facility share is 60.190% all amounts not otherwise assigned; and
 - (7) The off-track betting facility simulcast fund share is 18.627%.
 - **Sec. 5. 8 MRSA §295, sub-§2,** as amended by PL 2005, c. 563, §8, is further amended to read:
 - **2. Distribution.** On May 30th, September 30th and within 30 days after the close of all off-track betting facilities for the year, amounts payable under subsection 1 for distribution in accordance with this subsection must be distributed to all commercial tracks, except a commercial track whose parent company is owned or operated or owned and operated by a casino in this State, that have provided simulcast transmission of live racing in the State on any date and to those agricultural fair associations that have provided simulcast transmission of live racing in the State on the dates assigned by the commissioner pursuant to Title 7, section 84. Distribution must be in the proportion that the amount of exotic wagers placed at off-track betting facilities on simulcast races from each licensee up to the last day of the preceding month bears to the total amount of exotic wagers at off-track betting facilities on races simulcast from all commercial racetracks and agricultural fair associations up to that date. Amounts payable under subsection 1 for distribution in accordance with this subsection that would have been allocated to a commercial track whose parent company is owned or operated or owned and operated by a casino in this State must be distributed to the off-track betting facility at which the amounts originated. The last payment of the calendar year must be adjusted to reflect

each licensee's exotic wagers in proportion to the total of the exotic wagers at off-track betting facilities in that calendar year.

3 SUMMARY

This bill adjusts the distribution of commissions on simulcasting of races with commingled pools originating at a racetrack in another state by an off-track betting facility without reducing the portion of those revenues that benefit the State. In addition, the bill eliminates the off-track betting facility simulcast fund share received by a commercial track whose parent company is owned or operated or owned and operated by a casino in this State. The bill also modifies the requirement that an off-track betting facility operator be a liquor license holder, but maintains the requirement that an off-track betting facility be situated in a facility that is licensed to serve liquor and food. The bill also eliminates the requirement for at least 150 race dates in the preceding 2 calendar years before interstate simulcasting or the licensing of an off-track betting facility is allowed.