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IN-STATE INTERTRACK BETTING

House Bill 4177

Sponsor: Rep. Charlie Harrison, Jr.

Committee: Appropriations

Complete to 5-30-89

A SUMMARY OF HOUSE BILL 4177 AS INTRODUCED 2-15-89

The Racing Law permits licensees to receive live television transmissions of horse races occurring outside of the state, and allows patrons to place bets on those races. The bill would provide for intertrack simulcasts and wagering on races run in Michigan, and on races run outside of Michigan and transmitted from one Michigan track to another. Intertrack and on-track wagers would be combined in a common pari-mutuel pool. Intertrack wagering would require the consent of the racing commissioner and, generally, other nearby licensees.

Intertrack wagering application. If a pair of tracks wished to conduct intertrack betting, a receiving track and a sending track would jointly apply to the racing commissioner. The application would have to include a written agreement between the two tracks that provided a detailed plan of operation for television transmissions, transmitting wagers from the receiving track to the sending track, and distributing the pari-mutuel pool to winning ticket holders at the receiving track.

License conditions. The racing commissioner could issue an intertrack wagering license to a receiving track specifying the days and times when intertrack wagering was permitted, and prescribing any other conditions and terms the commissioner considered appropriate. However, certain geographic limitations would apply: intertrack wagering could not be conducted in the Detroit area on a given day unless all the area licensees holding races that day consented. Outside of the Detroit area, intertrack wagering could be conducted at any receiving track running races that day. If the receiving track was not holding races that day, it could conduct intertrack wagering only if it obtained the consent of outstate licensees which were within 65 miles of the receiving track.

Simulcasts from out of state. At present, a licensee who simulcasts horse races run at out-of-state tracks may not have wagering on more than one simulcast race per day. The bill would delete this provision. In addition, the bill would allow a Michigan licensee to transmit out-of-state simulcasts to other Michigan tracks if the conditions for both out-of-state simulcasts and in-state intertrack betting were met.

Wagers, payouts, takeouts. All wagers made in an intertrack betting system would have to be combined with on-track wagers into a common pari-mutuel betting pool for the calculation of odds and the determination of winning payouts from the pool. A payout would have to be the same for all winning tickets, regardless of whether a wager was placed on the inter- or on-track system. Intertrack wagers accepted by a licensee would have to conform in denomination, terms, conditions, and all other aspects related to on-track wagers made for the same race. The takeout (amount of money subtracted from pari-mutuel pools for taxes prior to calculating odds and making payouts) from the combined inter- and on-track betting pari-mutuel pools and disposition of

the takeout would be the same as that currently prescribed for on-track wagering.

State share. Each holder of an intertrack wagering license would pay to the state, out of the holder's commission, two percent of all money wagered on intertrack betting.

Implementation, rules. The commissioner would have to promulgate rules necessary to implement the bill.

MCL 431.72 et al.