

SENATE BILL No. 1215

April 13, 2000, Introduced by Senators MC MANUS, GAST, STILLE, NORTH, KOIVISTO and YOUNG and referred to the Committee on Gaming and Casino Oversight.

A bill to amend 1995 PA 279, entitled "Horse racing law of 1995," by amending the title and sections 8 and 17 (MCL 431.308 and 431.317), section 17 as amended by 1998 PA 408.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to license and regulate the conducting of horse race meetings in this state with pari-mutuel wagering on the results of horse races and persons involved in horse racing and pari-mutuel gaming activities at such race meetings AND AT CERTAIN SITE-ONLY SIMULCASTING FACILITIES IN THIS STATE; to create the office of racing commissioner; to prescribe the powers and duties of the racing commissioner; to prescribe certain powers and duties of the department of agriculture and the director of the department of agriculture; to provide for the promulgation of

1 rules; to provide for the imposition of taxes and fees and the
2 disposition of revenues; to impose certain taxes; to create
3 funds; to legalize and permit the pari-mutuel method of wagering
4 on the results of live and simulcast races at licensed race meet-
5 ings AND AT CERTAIN SITE-ONLY SIMULCASTING FACILITIES in this
6 state; to appropriate the funds derived from pari-mutuel wagering
7 on the results of horse races at licensed race meetings in this
8 state; to prescribe remedies and penalties; and to repeal acts
9 and parts of acts.

10 Sec. 8. (1) The racing commissioner may issue the following
11 general classes of licenses:

12 (a) ~~Occupational licenses~~ AN OCCUPATIONAL LICENSE issued
13 to ~~individuals~~ A PERSON participating in, involved in, or oth-
14 erwise having to do with horse racing, pari-mutuel wagering, or
15 simulcasting at a licensed race meeting in this state.

16 (b) ~~Race meeting licenses~~ A RACE MEETING LICENSE issued
17 annually for the succeeding year to a person to conduct live
18 horse racing, simulcasting, and pari-mutuel wagering on the
19 results of live and simulcast horse races at a licensed race
20 meeting in this state pursuant to and in accordance with the pro-
21 visions of this act.

22 (c) ~~Track licenses~~ A TRACK LICENSE issued to a person to
23 maintain or operate a racetrack at which 1 or more race meeting
24 licensees may conduct licensed race meetings in this state.

25 (D) A SITE-ONLY SIMULCASTING EMPLOYEE AND AGENT LICENSE
26 ISSUED UNDER THE TELECOMMUNICATIONS WAGERING ACT AND THE RULES
27 PROMULGATED UNDER THAT ACT.

1 (E) A SITE-ONLY SIMULCASTING FACILITY LICENSE ISSUED UNDER
2 THE TELECOMMUNICATIONS WAGERING ACT AND THE RULES PROMULGATED
3 UNDER THAT ACT.

4 (2) The racing commissioner shall not issue a race meeting
5 license to a person if the person is licensed to conduct a
6 licensed race meeting at another licensed racetrack within a city
7 area and the person has a controlling interest in or co-ownership
8 of the other licensed racetrack within the city area.

9 Sec. 17. (1) The pari-mutuel system of wagering upon the
10 results of horse races as permitted by this act AND THE TELECOM-
11 MUNICATIONS WAGERING ACT shall not be held or construed to be
12 unlawful. All forms of pari-mutuel wagering conducted at a
13 licensed race meeting OR AT A SITE-ONLY SIMULCASTING FACILITY
14 AUTHORIZED UNDER THE TELECOMMUNICATIONS WAGERING ACT shall be
15 preapproved by the racing commissioner pursuant to rule or writ-
16 ten order of the commissioner.

17 (2) A holder of a race meeting license may provide a place
18 in the race meeting grounds or enclosure at which he or she may
19 conduct and supervise the pari-mutuel system of wagering on the
20 results of horse races as permitted by this act, OR UNDER THE
21 TELECOMMUNICATIONS WAGERING ACT. If the pari-mutuel system of
22 wagering is used at a race meeting, a totalisator or other device
23 that is equal in accuracy and clearness to a totalisator and
24 approved by the racing commissioner shall be used. The odds dis-
25 play of the totalisator or other device shall be placed in full
26 view of the patrons.

1 (3) Subject to section 18(3), each holder of a race meeting
2 license shall retain as his or her commission on all forms of
3 straight wagering 17% of all money wagered involving straight
4 wagers on the results of live and simulcast horse races conducted
5 at the licensee's race meetings. Subject to section 18(3), each
6 holder of a race meeting license shall retain as his or her com-
7 mission on all forms of multiple wagering, without the written
8 permission of the racing commissioner not more than 28% and with
9 the written permission of the racing commissioner not more than
10 35% of all money wagered involving any form of multiple wager on
11 the results of live and simulcast horse races conducted at the
12 licensee's race meeting. Except as otherwise provided by con-
13 tract, 50% of all commissions from wagering on the results of
14 live racing at the racetrack where the live racing was conducted
15 shall be paid to the horsemen's purse pool at the racetrack where
16 the live racing was conducted. As used in this subsection:

17 (a) "Straight wagering" means a wager made on the finishing
18 position of a single specified horse in a single specified race.

19 (b) "Multiple wagering" means a wager made on the finishing
20 positions of more than 1 horse in a specified race or the finish-
21 ing positions of 1 or more horses in more than 1 specified race.

22 (4) ~~All breaks shall be retained by the race meeting~~
23 ~~licensee and paid directly to the city or township in which the~~
24 ~~racetrack is located as a fee for services provided pursuant to~~
25 ~~section 21.~~ THE RACE MEETING LICENSEE SHALL REMIT ALL BREAKS TO
26 THE RACING COMMISSIONER NOT MORE THAN 30 DAYS AFTER THE DATE THE
27 RACE MEETING IS CONDUCTED. A CITY OR TOWNSHIP IN WHICH THE

1 RACETRACK IS LOCATED MAY SUBMIT A REPORT OF FUNDS EXPENDED
2 PURSUANT TO SECTION 21 AND A REQUEST FOR REIMBURSEMENT TO THE
3 OFFICE OF THE RACING COMMISSIONER. NOT MORE THAN 90 DAYS AFTER
4 THE RACING COMMISSIONER RECEIVES THE REPORT OF FUNDS EXPENDED AND
5 REQUEST FOR REIMBURSEMENT, THE RACING COMMISSIONER SHALL REIM-
6 BURSE THAT CITY OR TOWNSHIP FOR THE ACTUAL COSTS EXPENDED PURSU-
7 ANT TO SECTION 21 FROM THE FUNDS REMITTED BY THE RACE MEETING
8 LICENSEE UNDER THIS SUBSECTION.

9 (5) Payoff prices of tickets of a higher denomination shall
10 be calculated as even multiples of the payoff price for a \$1.00
11 wager. Each holder of a race meeting license shall distribute to
12 the persons holding winning tickets, as a minimum, a sum not less
13 than \$1.10 calculated on the basis of each \$1.00 deposited in a
14 pool, except that each race meeting licensee may distribute a sum
15 of not less than \$1.05 to persons holding winning tickets for
16 each \$1.00 deposited in a minus pool. As used in this subsec-
17 tion, "minus pool" means any win, place, or show pool in which
18 the payout would exceed the total value of the pool.

19 (6) A holder of a race meeting license shall not knowingly
20 permit a person less than 18 years of age to be a patron of the
21 pari-mutuel wagering conducted or supervised by the holder.

22 (7) Any act or transaction relative to pari-mutuel wagering
23 on the results of live or simulcast horse races shall only occur
24 or be permitted to occur within the enclosure of a licensed race
25 meeting OR AT A SITE-ONLY SIMULCASTING FACILITY AUTHORIZED UNDER
26 THE TELECOMMUNICATIONS WAGERING ACT. A person shall not
27 participate or be a party to any act or transaction relative to

1 placing a wager or carrying a wager for placement outside of a
2 race meeting ground OR A SITE-ONLY SIMULCASTING FACILITY AUTHO-
3 RIZED UNDER THE TELECOMMUNICATIONS WAGERING ACT. A person shall
4 not provide messenger service for the placing of a bet for
5 another person who is not a patron. However, this subsection
6 does not prevent simulcasting or intertrack or interstate common
7 pool wagering inside or outside this state as permitted by this
8 act or the rules promulgated under this act.

9 Enacting section 1. This amendatory act does not take
10 effect unless Senate Bill No.1214
11 of the 90th Legislature is enacted into
12 law.