

SENATE BILL NO. 363

INTRODUCED BY MANNING, GAGE, FRANKLIN,
SWYSGOOD, JERGESON, MESSMORE, FORRESTER

IN THE SENATE

FEBRUARY 12, 1991 INTRODUCED AND REFERRED TO COMMITTEE
 ON BUSINESS & INDUSTRY.

 FIRST READING.

FEBRUARY 21, 1991 COMMITTEE RECOMMEND BILL
 DO PASS AS AMENDED. REPORT ADOPTED.

FEBRUARY 22, 1991 PRINTING REPORT.

FEBRUARY 23, 1991 SECOND READING, DO PASS.

FEBRUARY 25, 1991 ENGROSSING REPORT.

 THIRD READING, PASSED.
 AYES, 40; NOES, 10.

 TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 4, 1991 INTRODUCED AND REFERRED TO COMMITTEE
 ON BUSINESS & ECONOMIC DEVELOPMENT.

 FIRST READING.

MARCH 20, 1991 COMMITTEE RECOMMEND BILL BE
 CONCURRED IN. REPORT ADOPTED.

APRIL 6, 1991 SECOND READING, CONCURRED IN.

 ON MOTION, RULES SUSPENDED. BILL
 PLACED ON THIRD READING THIS DAY.

 THIRD READING, CONCURRED IN.
 AYES, 75; NOES, 21.

 RETURNED TO SENATE.

IN THE SENATE

APRIL 9, 1991 RECEIVED FROM HOUSE.

 SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senate* BILL NO. *363*
 2 INTRODUCED BY *Richard E. Manning*
 3 *DeWysgood* *Jurgason* *Thessmore* *Forester*

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW
 5 GOVERNING HORSERACING; EXPANDING THE TYPES OF SIMULCAST
 6 RACES THAT THE BOARD OF HORSERACING MAY APPROVE; AUTHORIZING
 7 LICENSEES TO WITHHOLD AN ADDITIONAL 1 PERCENT ON EXOTIC
 8 WAGERING; AMENDING SECTIONS 23-4-301 AND 23-4-302, MCA; AND
 9 PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 **Section 1.** Section 23-4-301, MCA, is amended to read:

13 **"23-4-301. Parimutuel betting -- other betting illegal.**

14 (1) It is unlawful to make, report, record, or register a
 15 bet or wager on the result of a contest of speed, skill, or
 16 endurance of an animal, whether the contest is held within
 17 or outside of this state, except under this chapter.

18 (2) A licensee conducting a race meet under this
 19 chapter may provide a place in the race meet grounds or
 20 enclosure where the licensee may conduct or supervise the
 21 use of the parimutuel system by patrons on the result of the
 22 races conducted under this chapter and the rules of the
 23 board.

24 (3) A person licensed under this chapter to hold a race
 25 meet may ~~on the day a race meet is conducted,~~ also provide

1 a place in the race meet grounds or simulcast facility where
 2 the licensee may conduct or supervise the use of the
 3 parimutuel system by patrons on the results of simulcast
 4 races approved by the board. ~~The board shall approve only~~
 5 ~~intrastate races and races of national prominence to the~~
 6 ~~Montana racing season. However, the board has authority to~~
 7 ~~approve races from other states during the off season.~~

8 (4) It is unlawful to conduct pool selling or
 9 bookmaking or to circulate handbooks or to bet or wager on a
 10 race of a licensed race meet, other than by the parimutuel
 11 system and in the race meet grounds or enclosure where the
 12 race is held, or to permit a minor to use the parimutuel
 13 system.

14 (5) Each licensee conducting a parimutuel system for an
 15 intrastate simulcast race meet shall combine the parimutuel
 16 pools at a simulcast facility with those at the actual
 17 racing facility for the purpose of determining the odds and
 18 computing payoffs. The amount of the handle at the simulcast
 19 race meet must be combined with the amount of parimutuel
 20 handle at the live racing facility for the purposes of
 21 distribution of money derived from parimutuel betting under
 22 23-4-302 and 23-4-304.

23 (6) Negotiated purse money from intrastate and
 24 interstate simulcast parimutuel handles at racing
 25 associations that do not conduct live racing will be pooled



-2- INTRODUCED BILL
 SB 363

1 and distributed to all tracks conducting live racing, all
2 moneys to be distributed on a percent, based on each track's
3 percent, of total annual on-track parimutuel handle."

4 **Section 2.** Section 23-4-302, MCA, is amended to read:

5 **"23-4-302. Distribution of deposits -- breakage. (1)**

6 Each licensee conducting the parimutuel system shall
7 distribute all sums deposited in any pool to the winner
8 thereof, less an amount which in the case of exotic wagering
9 on races shall not exceed ~~24%~~ 25% and in all other races
10 shall not exceed 20% of the total deposits plus the odd
11 cents of all redistribution to be based on each dollar
12 deposited exceeding a sum equal to the next lowest multiple
13 of 10, known as "breakage".

14 (2) Each licensee conducting the parimutuel system for
15 a simulcast race meet shall distribute all sums deposited
16 with the licensee in any pool for such simulcast race meet,
17 less an amount which in the case of exotic wagering on such
18 races shall not exceed ~~24%~~ 25% and in all other such races
19 shall not exceed 20% of the total deposits plus the odd
20 cents of all redistribution to be based on each dollar
21 deposited exceeding a sum equal to the next lowest multiple
22 of 10, known as "breakage".

23 (3) Each licensee conducting a parimutuel system for a
24 simulcast race meet shall deduct 1% of its total parimutuel
25 handle of the simulcast facility and give it to the local

1 fair board. The money must be used to operate or enhance the
2 county fairgrounds facility."

3 NEW SECTION. **Section 3.** Effective date. [This act] is
4 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0363, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


An act revising the law governing horseracing; expanding the types of simulcast races that the Board of Horseracing may approve; authorizing licensees to withhold an additional 1% on exotic wagering; amending sections 23-4-301 and 23-4-302; and providing an immediate effective date.

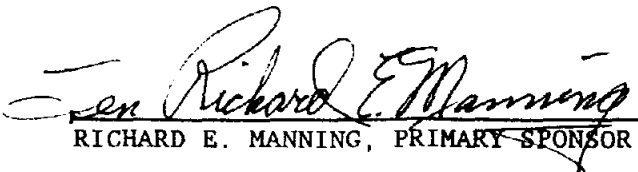
ASSUMPTIONS:

1. The proposed legislation allows Montana businesses to engage in parimutuel betting by patrons on the results of simulcast races approved by the Board of Horseracing.
2. The proposed legislation increases the amount retained by the licensee from exotic wagering from 24% to 25% of total deposits. In all other races, the amount retained by the licensee may not exceed 20% of the total deposits. The only time the 25% maximum retainment would apply is during parimutuel betting on simulcast races with a host track whose percentage on exotic wagering is 25%.
3. Each licensee conducting a parimutuel betting on simulcast races will retain an additional 1% of the deposits from exotic wagering for the Montana Simulcast Partners. Montana Simulcast Partners is a nonprofit organization which distributes profits to tracks conducting live racing per the provisions of 23-4-301(6), MCA.
4. The additional 1% of the deposits from parimutuel betting will be approximately \$15,000 per year.

FISCAL IMPACT:

None


ROD SUNDSTED, BUDGET DIRECTOR 2-18-91 DATE
Office of Budget and Program Planning


RICHARD E. MANNING, PRIMARY SPONSOR 2/19/91 DATE
Fiscal Note for SB0363, as introduced. SB 363

APPROVED BY COMM. ON
BUSINESS & INDUSTRY

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW GOVERNING HORSERACING; EXPANDING THE TYPES OF SIMULCAST RACES THAT THE BOARD OF HORSERACING MAY APPROVE; AUTHORIZING LICENSEES TO WITHHOLD AN ADDITIONAL 1 PERCENT ON EXOTIC WAGERING; AMENDING SECTIONS 23-4-301 AND 23-4-302, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-4-301, MCA, is amended to read:

"23-4-301. Parimutuel betting -- other betting illegal.

(1) It is unlawful to make, report, record, or register a bet or wager on the result of a contest of speed, skill, or endurance of an animal, whether the contest is held within or outside of this state, except under this chapter.

(2) A licensee conducting a race meet under this chapter may provide a place in the race meet grounds or enclosure where the licensee may conduct or supervise the use of the parimutuel system by patrons on the result of the races conducted under this chapter and the rules of the board.

(3) A person licensed under this chapter to hold a race

~~meet may, on the day a race meet is conducted, also provide SIMULCAST LIVE RACES AT a place in the race meet grounds or simulcast facility where the licensee may conduct or supervise the use of the parimutuel system by patrons on the results of simulcast races approved by the board. The board shall approve only intrastate races and races of national prominence to the Montana racing season. However, the board has authority to approve races from other states during the off season.~~

(4) It is unlawful to conduct pool selling or bookmaking or to circulate handbooks or to bet or wager on a race of a licensed race meet, other than by the parimutuel system and in the race meet grounds or enclosure where the race is held, or to permit a minor to use the parimutuel system.

(5) Each licensee conducting a parimutuel system for an intrastate simulcast race meet shall combine the parimutuel pools at a simulcast facility with those at the actual racing facility for the purpose of determining the odds and computing payoffs. The amount of the handle at the simulcast race meet must be combined with the amount of parimutuel handle at the live racing facility for the purposes of distribution of money derived from parimutuel betting under 23-4-302 and 23-4-304.

(6) Negotiated purse money from intrastate and



1 interstate simulcast parimutuel handles at racing
2 associations that do not conduct live racing will be pooled
3 and distributed to all tracks conducting live racing, all
4 moneys to be distributed on a percent, based on each track's
5 percent, of total annual on-track parimutuel handle."

6 **Section 2.** Section 23-4-302, MCA, is amended to read:

7 "**23-4-302. Distribution of deposits -- breakage.** (1)

8 Each licensee conducting the parimutuel system shall
9 distribute all sums deposited in any pool to the winner
10 thereof, less an amount which in the case of exotic wagering
11 on races shall not exceed ~~24%~~ 25% and in all other races
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13 cents of all redistribution to be based on each dollar
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15 of 10, known as "breakage".

16 (2) Each licensee conducting the parimutuel system for
17 a simulcast race meet shall distribute all sums deposited
18 with the licensee in any pool for such simulcast race meet,
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25 (3) Each licensee conducting a parimutuel system for a

1 simulcast race meet shall deduct 1% of its total parimutuel
2 handle of the simulcast facility and give it to the local
3 fair board. The money must be used to operate or enhance the
4 county fairgrounds facility."

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6 ~~shall-approve-only-intrastate-races-and--races--of--national~~
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