

HOUSE BILL NO. 553

Introduced: 01/28/83

Referred to Committee on Business & Industry: 01/28/83

Hearing: 2/18/83

Died in Committee

1 House BILL NO. 553
 2 INTRODUCED BY McBride Blaylock
 3 BY REQUEST OF THE LEGISLATIVE AUDIT COMMITTEE
 4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT ABOLISHING THE BOARD OF
 6 HORSERACING; CREATING A COMMISSIONER OF HORSERACING AND
 7 SPECIFYING HIS QUALIFICATIONS AND DUTIES; TRANSFERRING THE
 8 BOARD'S DUTIES TO THE COMMISSIONER; CREATING A HORSERACING
 9 ADVISORY COUNCIL AND SPECIFYING ITS DUTIES; PROHIBITING
 10 RACING OFFICIALS FROM PARTICIPATING IN RACING MEETS;
 11 PROHIBITING RACING MEET PARTICIPANTS AND EMPLOYEES FROM
 12 PARTICIPATING IN PARIMUTUEL BETTING; AUTHORIZING APPOINTMENT
 13 OF RACING STEWARDS; SPECIFYING THE COMMISSIONER'S
 14 INVESTIGATIVE POWERS; ESTABLISHING FEES COMMENSURATE WITH
 15 COSTS; AMENDING SECTIONS 2-8-103, 2-15-1881, 23-4-101,
 16 23-4-103 THROUGH 23-4-105, 23-4-201, 23-4-202, 23-4-204,
 17 23-4-205, 23-4-301, 23-4-304, AND 23-4-305, MCA; REPEALING
 18 SECTION 23-4-102, MCA; AND PROVIDING AN EFFECTIVE DATE."

19
 20 WHEREAS, the sunset law, sections 2-8-103 and 2-8-112,
 21 MCA, terminates the Board of Horseracing and requires a
 22 performance evaluation of the Board by the Legislative Audit
 23 Committee; and

24 WHEREAS, as a result of the performance evaluation, the
 25 Legislative Audit Committee recommended that the Board of

1 Horseracing be abolished and that the regulation of
 2 horseracing be transferred to a Commissioner of Horseracing.

3
 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

5 NEW SECTION. Section 1. Abolishment of board --
 6 transfer of duties -- rules saved. (1) The board of
 7 horseracing created pursuant to 2-15-1881 is abolished.

8 (2) The statutory authority to regulate horseracing
 9 contained in Title 23, chapter 4, is transferred to the
 10 commissioner of horseracing created in [section 5].

11 (3) All orders and rules relating to horseracing made
 12 by the board of horseracing remain in effect until revoked
 13 or modified, in accordance with law, by the commissioner of
 14 horseracing.

15 Section 2. Section 2-8-103, MCA, is amended to read:
 16 "2-8-103. Agencies to terminate. (1) The following
 17 agencies shall terminate on July 1, 1979:

18 (a) board of abstracters, department of professional
 19 and occupational licensing, created by 2-15-1643;

20 (b) board of real estate, department of professional
 21 and occupational licensing, created by 2-15-1642;

22 (c) state board of warm air heating, ventilation, and
 23 air conditioning, department of professional and
 24 occupational licensing, created by 2-15-1656;

25 (d) board of institutions, department of institutions,

1 created by 2-15-2303.

2 (2) The following agencies shall terminate on July 1,
3 1981:

4 (a) board of athletics, department of professional and
5 occupational licensing, created by 2-15-1661;

6 (b) board of massage therapists, department of
7 professional and occupational licensing, created by
8 2-15-1627;

9 (c) board of osteopathic physicians, department of
10 professional and occupational licensing, created by
11 2-15-1607;

12 (d) board of podiatry examiners, department of
13 professional and occupational licensing, created by
14 2-15-1608;

15 (3) The following units of state government shall
16 terminate on July 1, 1983:

17 (a) board of aeronautics, department of commerce,
18 created by 2-15-1812;

19 (b) state board of hail insurance, department of
20 agriculture, created by 2-15-3003;

21 (c) board of horseracing, department of commerce,
22 created by 2-15-1881;

23 (d) board of livestock, department of livestock,
24 created by 2-15-3102;

25 (e) board of milk control, department of commerce,

1 created by 2-15-1902;

2 (f) board of oil and gas conservation, department of
3 natural resources and conservation, created by 2-15-3303;

4 (g) Montana outfitters' council, department of fish,
5 wildlife, and parks, created by 2-15-3403;

6 (h) public service commission, department of public
7 service regulation, created by 69-1-102;

8 (i) board of water and wastewater operators,
9 department of health and environmental sciences, created by
10 2-15-2105;

11 (j) board of water well contractors, department of
12 commerce, created by 2-15-1862.

13 (4) The following agencies terminate on July 1, 1980:

14 (a) the board of public accountants, department of
15 commerce, created by 2-15-1866;

16 (b) the board of architects, department of commerce,
17 created by 2-15-1871;

18 (c) state banking board, department of commerce,
19 created by 2-15-1803;

20 (d) the state electrical board, department of
21 commerce, created by 2-15-1874;

22 (e) the board of professional engineers and land
23 surveyors, department of commerce, created by 2-15-1873;

24 (f) office of commissioner of insurance and the
25 insurance department, state auditor's office, created by

1 2-15-1902 and 2-15-1903;

2 (g) office of the securities commissioner, state
3 auditor's office, created by 2-15-1901;

4 (h) the board of landscape architects, department of
5 commerce, created by 2-15-1872;

6 (i) the board of county printing, department of
7 commerce, created by 2-15-1811;

8 (j) the board of plumbers, department of commerce,
9 created by 2-15-1875;

10 (k) board of physical therapy examiners, department of
11 commerce, created by 2-15-1858.

12 (5) The following agencies terminate on July 1, 1987:

13 (a) commission for human rights, department of labor
14 and industry, created by 2-15-1706;

15 (b) Montana state board of medical examiners,
16 department of commerce, created by 2-15-1841;

17 (c) board of dentistry, department of commerce,
18 created by 2-15-1842;

19 (d) board of pharmacists, department of commerce,
20 created by 2-15-1843;

21 (e) board of nursing, department of commerce, created
22 by 2-15-1844;

23 (f) board of nursing home administrators, department
24 of commerce, created by 2-15-1845;

25 (g) board of optometrists, department of commerce,

1 created by 2-15-1846;

2 (h) board of chiropractors, department of commerce,
3 created by 2-15-1847;

4 (i) board of radiologic technologists, department of
5 commerce, created by 2-15-1848;

6 (j) board of speech pathologists and audiologists,
7 department of commerce, created by 2-15-1849;

8 (k) board of hearing aid dispensers, department of
9 commerce, created by 2-15-1850;

10 (l) board of psychologists, department of commerce,
11 created by 2-15-1851;

12 (m) board of veterinarians, department of commerce,
13 created by 2-15-1852;

14 (n) board of morticians, department of commerce,
15 created by 2-15-1853;

16 (o) board of barbers, department of commerce, created
17 by 2-15-1856;

18 (p) board of cosmetologists, department of commerce,
19 created by 2-15-1857;

20 (q) board of sanitarians, department of commerce,
21 created by 2-15-1861;

22 (r) board of veterans' affairs, department of social
23 and rehabilitation services, created by 2-15-2202.

24 (6) The following agencies terminate on July 1, 1987:

25 (a) horseracing advisory council, department of

~~commerce, created by 2-15-1881; and~~

~~(b) commissioner of horseracing, department of commerce, created by [section 5]."~~

Section 3. Section 2-15-1881, MCA, is amended to read:

"2-15-1881. ~~Board of horseracing~~ Horseracing advisory council. (1) There is a ~~board of~~ horseracing advisory council.

(2) The ~~board council~~ consists of five members, appointed by the governor ~~with the consent of the senate~~, who shall be ~~citizens, residents, and~~ qualified electors of this state. ~~At least one member~~ Three members shall be a ~~breeder breeders or owners~~ of racing horses, one member shall be a member of an independent horseracing association, and one member shall be a member of a county fair board that conducts a fair featuring parimutuel betting, ~~and two members shall have occupations unrelated to horseracing.~~

(3) The governor shall not appoint any member who resides in the same county as a current member. The governor shall appoint members on the basis of experience, qualifications, and a reasonable geographical balance throughout the state.

(4) Each member shall serve for a term of 3 years. A member may be removed from office by the governor only for cause.

(5) The ~~board council~~ is allocated to the department

for administrative purposes only as prescribed in 2-15-121."

NEW SECTION. Section 4. Council duties -- compensation -- expenses. (1) The council shall make recommendations to the commissioner as to:

(a) qualifications for licensure;

(b) awarding dates for race meets; and

(c) any other matters or rules necessary to effectuate the provisions of this chapter.

(2) Members of the council are entitled to be reimbursed and compensated as are members of advisory councils in 2-15-122(5).

(3) The commissioner shall pay the expenses of the council from funds collected under this chapter.

NEW SECTION. Section 5. Commissioner of horseracing -- appointment -- term -- salary. (1) There is a commissioner of horseracing.

(2) The commissioner must be appointed by and serve at the pleasure of the governor, with the consent of the senate, for a term of office concurrent with that of the governor, except that the commissioner shall continue to serve until his successor is appointed and qualified.

(3) The department director shall set the salary of the commissioner.

(4) The office of the commissioner is allocated to the department for administrative purposes only as prescribed in

2-15-121, except that the commissioner may hire staff within the limits of his appropriation and 2-15-121(2)(d) does not apply.

NEW SECTION. Section 6. Commissioner's qualifications -- filing of disclosure statement required -- prohibited activities. (1) The commissioner shall be:

(a) a resident of the state;

(b) of legal voting age; and

(c) of such character and reputation as to promote public confidence in the administration of horseracing within this state.

(2) The commissioner shall file a business disclosure statement with the commissioner of political practices as provided in 5-7-213.

(3) The commissioner may not:

(a) have any pecuniary interest or engage in any private employment in a profession or business that he regulates as commissioner or that interferes or conflicts with the performance or proper discharge of his duties as commissioner;

(b) participate as a constructive or actual owner of a racing animal or in any other capacity in any race at a race meet under his jurisdiction or supervision, except that a holder of a future interest in a racing animal is not considered an owner of that animal under this subsection;

(c) wager or cause a wager to be placed upon the outcome of any race at a race meet under his jurisdiction or supervision;

(d) accept any pecuniary or other form of reward or gift from any licensee or franchise holder under his jurisdiction or supervision; or

(e) have any pecuniary interest or engage in any private employment in a business that does business with any track licensee or other franchise holder under his jurisdiction or supervision.

NEW SECTION. Section 7. Prohibition against participating in race meets. No commissioner, employee of the office of the commissioner, or track steward may race a horse at any meet in which he is serving in an official capacity.

NEW SECTION. Section 8. Prohibition against parimutuel betting. The following persons may not participate in parimutuel betting at any race meet at which they are employees or participants:

(1) commissioner or employee of the office of the commissioner;

(2) chief of security or member of security staff;

(3) director of racing;

(4) jockey;

(5) racehorse owner;

- (6) parimutuel manager or parimutuel employee;
- (7) photo manager;
- (8) racing secretary;
- (9) steward;
- (10) starter;
- (11) trainer;
- (12) track veterinarian;
- (13) handicapper;
- (14) identifier;
- (15) outrider;
- (16) paddock judge;
- (17) stable foreman;
- (18) track superintendent;
- (19) patrol judge;
- (20) stable superintendent;
- (21) placing judge; and
- (22) timer.

NEW SECTION. Section 9. Racing stewards. (1) The commissioner shall establish a procedure for appointing racing stewards for each race meet and shall approve all appointments of racing stewards.

(2) The commissioner may authorize a racing steward, for a period not to exceed the duration of the race meet for which the steward is appointed, to suspend a license issued under this chapter. A steward may recommend fines to the

commissioner, and a suspension by a steward may be appealed to the commissioner.

NEW SECTION. Section 10. Investigative powers of commissioner. (1) The commissioner or his authorized representative may enter and inspect places, question employees, and investigate facts, conditions, or matters that he considers appropriate to determine whether any person has violated a provision of this chapter or a regulation issued under it or to aid in the enforcement of the provisions of this chapter.

(2) In any proceeding before him, the commissioner or his authorized representative may administer oaths; examine witnesses under oath; issue subpoenas; compel the attendance of witnesses and the production of papers, books, accounts, records, payroll, documents, and testimony; and take depositions and affidavits.

Section 11. Section 23-4-101, MCA, is amended to read: "23-4-101. Definitions. Unless the context requires otherwise, in this chapter, the following definitions apply:

(1) "Commissioner" means the commissioner of horseracing provided for in [section 5].

(2) "Board" "Council" means the board---of horseracing advisory council provided for in 2-15-1881.

(3) "Department" means the department of commerce provided for in Title 2, chapter 15, part 18.

1 ~~(3)~~(4) "Persons" means individuals, firms,
2 corporations, and associations.

3 ~~(4)~~(5) "Race meet" means an exhibition of
4 thoroughbred, purebred, or registered horseracing where the
5 parimutuel system of wagering is used."

6 Section 12. Section 23-4-103, MCA, is amended to read:

7 "23-4-103. Department's Commissioner's report --
8 public record. (1) The department commissioner shall keep
9 detailed records of board council meetings, of the business
10 transacted at the meetings, and licenses applied for and
11 issued.

12 (2) Records of the ~~board--kept-by--the--department~~
13 commissioner are public records subject to public
14 inspection."

15 Section 13. Section 23-4-104, MCA, is amended to read:

16 "23-4-104. Duties of board commissioner. The board
17 commissioner shall adopt rules to govern race meets and the
18 parimutuel system. These rules shall include the following:

19 (1) definitions;

20 (2) auditing;

21 (3) supervision of the parimutuel system;

22 (4) corrupt practices;

23 (5) supervision, duties, and responsibilities of the
24 presiding steward, racing secretary, and other racing
25 officials;

1 (6) licensing of all personnel who have anything to do
2 with the substantive operation of racing;

3 (7) the establishment of dates for race meets and
4 meetings in the best interests of breeding and racing in
5 this state; and

6 (8) the veterinary practices and standards which must
7 be observed in connection with race meets;

8 (9) establishing fees commensurate with costs pursuant
9 to 37-1-134; and

10 (10) establishing disciplinary procedures pursuant to
11 37-1-136, in addition to those provided in this chapter."

12 Section 14. Section 23-4-105, MCA, is amended to read:

13 "23-4-105. Authority of board commissioner. The board
14 commissioner shall, subject to 37-1-101 and 37-1-121,
15 license, regulate, and supervise race meets held in this
16 state under this chapter and shall have the places where
17 race meets are held visited and inspected at least once a
18 year."

19 Section 15. Section 23-4-201, MCA, is amended to read:

20 "23-4-201. Licenses. (1) It is unlawful for a person
21 to hold a race meet in this state without a valid license
22 issued by the department commissioner under this chapter. A
23 person applying for a license to hold a race meet under this
24 chapter shall file an application with the ~~department~~
25 commissioner which shall set forth the time, place, and

1 number of days the license will continue and other
2 information the board commissioner requires.

3 (2) A person who participates in a race meet shall be
4 licensed and charged an annual fee ~~not to exceed \$15 set by~~
5 the commissioner, which shall be paid to the department
6 commissioner and used for expenses of the board, ~~subject to~~
7 ~~37-1-101(6)~~ commissioner. Each person holding a license
8 under this chapter and every owner, trainer, jockey, and
9 attendant at a racecourse in this state shall comply with
10 this chapter and with the rules adopted and orders issued by
11 the board commissioner.

12 (3) A person who has been convicted of a crime
13 involving moral turpitude may not be issued a license of any
14 kind, nor may a license be issued to a person who has
15 violated this chapter or the rules of the board commissioner
16 or who has failed to pay the fees, taxes, or moneys required
17 under this chapter.

18 (4) Applications to hold race meets shall be submitted
19 to the department, ~~and the board commissioner, who~~ shall act
20 on the applications within 30 days. The board commissioner
21 is the sole judge of whether the race meet may be licensed
22 and the number of days the meet may continue.

23 (5) The board commissioner shall require that a fair
24 board conducting race meets in conjunction with its
25 regularly scheduled fair shall meet the requirements of the

1 rules adopted by the board commissioner before granting a
2 license. An unexpired license held by a person who violates
3 this chapter or who fails to pay to the department
4 commissioner the sums required under this chapter is subject
5 to cancellation and revocation by the board commissioner."

6 Section 16. Section 23-4-202, MCA, is amended to read:
7 "23-4-202. Penalty for violations of law — authority
8 of board commissioner. (1) A person holding a race meet, an
9 owner, trainer, or jockey participating in a race meet,
10 without first being licensed under this chapter, and a
11 person violating this chapter is guilty of a misdemeanor.

12 (2) The board commissioner may exclude from
13 racecourses in this state a person whom ~~the--board~~ he
14 considers detrimental to the best interest of racing.

15 (3) The board commissioner may suspend or revoke any
16 license ~~that he~~ issued by the department to a licensee and
17 assess a fine, not to exceed \$500, against a licensee who
18 violates any of the provisions of this chapter or any rule
19 or order of the board commissioner. In addition to the
20 suspension or revocation and fine, the board commissioner
21 may forbid application for relicensure for a 2-year period.

22 (4) The board commissioner shall promulgate rules
23 implementing this chapter, including the right to a hearing
24 for individuals against whom action is taken or proposed
25 herein."

1 ~~(3)~~(4) "Persons" means individuals, firms,
2 corporations, and associations.

3 ~~(4)~~(5) "Race meet" means an exhibition of
4 thoroughbred, purebred, or registered horseracing where the
5 parimutuel system of wagering is used."

6 Section 12. Section 23-4-103, MCA, is amended to read:

7 "23-4-103. Department's commissioner's report --
8 public record. (1) The ~~department~~ commissioner shall keep
9 detailed records of ~~board council~~ meetings, of the business
10 transacted at the meetings, and licenses applied for and
11 issued.

12 (2) Records of the ~~board--kept--by--the--department~~
13 commissioner are public records subject to public
14 inspection."

15 Section 13. Section 23-4-104, MCA, is amended to read:

16 "23-4-104. Duties of ~~board~~ commissioner. The ~~board~~
17 commissioner shall adopt rules to govern race meets and the
18 parimutuel system. These rules shall include the following:

- 19 (1) definitions;
- 20 (2) auditing;
- 21 (3) supervision of the parimutuel system;
- 22 (4) corrupt practices;
- 23 (5) supervision, duties, and responsibilities of the
- 24 presiding steward, racing secretary, and other racing
- 25 officials;

1 (6) licensing of all personnel who have anything to do
2 with the substantive operation of racing;

3 (7) the establishment of dates for race meets and
4 meetings in the best interests of breeding and racing in
5 this state; and

6 (8) the veterinary practices and standards which must
7 be observed in connection with race meets;

8 ~~(9) establishing fees commensurate with costs pursuant~~
9 ~~to 37-1-134; and~~

10 ~~(10) establishing disciplinary procedures pursuant to~~
11 ~~37-1-136, in addition to those provided in this chapter."~~

12 Section 14. Section 23-4-105, MCA, is amended to read:

13 "23-4-105. Authority of ~~board~~ commissioner. The ~~board~~
14 commissioner shall, subject to 37-1-101 and 37-1-121,
15 license, regulate, and supervise race meets held in this
16 state under this chapter and shall have the places where
17 race meets are held visited and inspected at least once a
18 year."

19 Section 15. Section 23-4-201, MCA, is amended to read:

20 "23-4-201. Licenses. (1) It is unlawful for a person
21 to hold a race meet in this state without a valid license
22 issued by the ~~department~~ commissioner under this chapter. A
23 person applying for a license to hold a race meet under this
24 chapter shall file an application with the ~~department~~
25 commissioner which shall set forth the time, place, and

number of days the license will continue and other information the board commissioner requires.

(2) A person who participates in a race meet shall be licensed and charged an annual fee ~~not-to-exceed-\$15 set by~~ the commissioner, which shall be paid to the department commissioner and used for expenses of the ~~board-subject-to~~ 37-1-101(6) commissioner. Each person holding a license under this chapter and every owner, trainer, jockey, and attendant at a racecourse in this state shall comply with this chapter and with the rules adopted and orders issued by the board commissioner.

(3) A person who has been convicted of a crime involving moral turpitude may not be issued a license of any kind, nor may a license be issued to a person who has violated this chapter or the rules of the board commissioner or who has failed to pay the fees, taxes, or moneys required under this chapter.

(4) Applications to hold race meets shall be submitted to the ~~department-and-the-board~~ commissioner, who shall act on the applications within 30 days. The board commissioner is the sole judge of whether the race meet may be licensed and the number of days the meet may continue.

(5) The board commissioner shall require that a fair board conducting race meets in conjunction with its regularly scheduled fair shall meet the requirements of the

rules adopted by the board commissioner before granting a license. An unexpired license held by a person who violates this chapter or who fails to pay to the department commissioner the sums required under this chapter is subject to cancellation and revocation by the board commissioner."

Section 16. Section 23-4-202, MCA, is amended to read:

"23-4-202. Penalty for violations of law — authority of board commissioner. (1) A person holding a race meet, an owner, trainer, or jockey participating in a race meet, without first being licensed under this chapter, and a person violating this chapter is guilty of a misdemeanor.

(2) The board commissioner may exclude from racecourses in this state a person whom ~~the--board~~ he considers detrimental to the best interest of racing.

(3) The board commissioner may suspend or revoke any license ~~that he issued by the department~~ to a licensee and assess a fine, not to exceed \$500, against a licensee who violates any of the provisions of this chapter or any rule or order of the board commissioner. In addition to the suspension or revocation and fine, the board commissioner may forbid application for relicensure for a 2-year period.

(4) The board commissioner shall promulgate rules implementing this chapter, including the right to a hearing for individuals against whom action is taken or proposed herein."

Section 17. Section 23-4-204, MCA, is amended to read:

"23-4-204. Race exclusively for Montana-bred horses -- bonus for winner. (1) For the purpose of encouraging the breeding in this state of valuable thoroughbred, purebred, quarter horse, appaloosa, or registered horses, at least one race each day at each race meet shall be limited to horses bred in this state. If in the opinion of the board commissioner sufficient competition cannot be had among this class of horses, the race may be eliminated for the day and a substitute race provided instead.

(2) A sum equal to 10% of the first money of every purse won by a horse bred in this state shall be paid by the licensee conducting the race meet to the breeder of the horse. Only the money contributed by the licensee conducting the race meet may be considered in computing the bonus."

Section 18. Section 23-4-205, MCA, is amended to read:

"23-4-205. Public liability insurance. For the protection of the public, exhibitors, and visitors, a person licensed to conduct a race meet under this chapter shall carry public liability insurance in an amount and form of contract approved by the board commissioner."

Section 19. 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 by the licensee at the race meet, if the parimutuel system is conducted under this chapter and the rules of the board commissioner.

(3) It is unlawful to conduct pool selling, 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."

Section 20. Section 23-4-304, MCA, is amended to read:

"23-4-304. Gross receipts -- department's commissioner's percentage -- collection and allocation. The licensee shall pay to the department commissioner 1% of the gross receipts of each day's parimutuel betting at each race meet, which sums shall be paid to the department commissioner within 5 days after receipt by the licensee. At the end of each race meet the licensee shall prepare a report to the department commissioner showing the amount of

1 the overpayments and underpayments. If the report shows the
 2 underpayments to be in excess of the overpayments, the
 3 balance shall be paid to the department commissioner. Money
 4 paid to the department commissioner may be used for the
 5 expenses incurred in carrying out this chapter."

6 Section 21. Section 23-4-305, MCA, is amended to read:

7 "23-4-305. Deposit of unclaimed money. Each licensee
 8 holding a horse race meeting shall within 30 days of the end
 9 of the meeting pay to the department commissioner for
 10 deposit in the earmarked revenue fund for the board
 11 commissioner of horseracing all unclaimed winning ticket
 12 money from any parimutuel pool."

13 NEW SECTION. Section 22. Repealer. Section 23-4-102,
 14 MCA, is repealed.

15 NEW SECTION. Section 23. Codification instruction.

16 (1) Section 5 is intended to be codified as an integral part
 17 of Title 2, chapter 15, part 18, and the provisions of Title
 18 2, chapter 15, part 18, apply to section 5.

19 (2) Sections 4 and 6 through 10 are intended to be
 20 codified as an integral part of Title 23, chapter 4, and the
 21 provisions of Title 23, chapter 4, apply to sections 4 and 6
 22 through 10.

23 NEW SECTION. Section 24. Effective date --
 24 nonapplicability of wind-up provision. (1) This act is
 25 effective July 1, 1983.

1 (2) The provisions of 2-8-121 do not apply to the
 2 board of horseracing.

-End-

STATE OF MONTANA

REQUEST NO. 298-83

FISCAL NOTE

Form BD-15

In compliance with a written request received February 1, 19 83, there is hereby submitted a Fiscal Note for House Bill 553 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

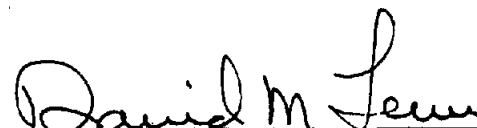
House Bill 553 abolishes the Board of Horse Racing; creates a Commissioner of Horseracing and specifies his qualifications and duties; transfers the board's duties to the commissioner; creates a horseracing advisory council and specifies its duties; prohibits racing officials from participating in racing meets; prohibits racing meet participants and employees from participating in parimutuel betting; authorizes appointment of racing stewards; specifies the commissioner's investigative powers; establishes fees commensurate with costs; amends Sections 2-8-103, 2-15-1881, 23-4-101, 23-4-103 through 23-4-105, 23-4-201, 23-4-202, 23-4-204, 23-4-205, 23-4-301, 23-4-304, and 23-4-305, MCA; repeals section 23-4-102, MCA; and provides an effective date."

ASSUMPTIONS:

- 1) Assume commissioner salary to be applicable to a Grade 16, Step 6, 1 FTE.
- 2) Assume additional personnel required to take over functions previously performed by board members: 1 FTE Grade 11, Administrative Assistant and increase .50 FTE Grade 7 Secretary to 1 FTE, Grade 8 Secretary position.
- 3) Assume operating expenses to remain at current level.
- 4) Assume revenue will remain constant.

FISCAL IMPACT:

	<u>FY 84</u>	<u>FY 85</u>
Expenditures:		
Under Current Law	\$269,837	\$279,391
Under Proposed Law	<u>298,478</u>	<u>311,918</u>
Increase In Expenditures	<u>\$ 28,641</u>	<u>\$ 32,527</u>
Revenue:		
Under Current Law	\$220,000	\$220,000
Under Proposed Law	<u>220,000</u>	<u>220,000</u>
	<u>\$ -0-</u>	<u>\$ -0-</u>

Continued

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-3-83

TECHNICAL NOTES:

Section 8, Page 10 a track announcer should be included in the prohibition of parimutuel betting. A track announcer can influence the betting by the tone of his voice or by statements made prior to a race.

Racehorse owners and trainers should be deleted from this section. These people make up the horse racing industry in Montana and also a large part of the parimutuel handle is a result of their betting, therefore they should not be penalized and prohibited from placing a bet on either their own horse or other horses.

FISCAL NOTE 10:W/2

HB 558

STATE OF MONTANA

REQUEST NO. 298-83

FISCAL NOTE

Revised Fiscal Note

Form BD-15

In compliance with a written request received February 1, , 19 83 , there is hereby submitted a Fiscal Note for House Bill 553 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 553 abolishes the Board of Horse Racing; creates a Commissioner of Horseracing and specifies his qualifications and duties; transfers the board's duties to the commissioner; creates a horseracing advisory council and specifies its duties; prohibits racing officials from participating in racing meets; prohibits racing meet participants and employees from participating in parimutuel betting; authorizes appointment of racing stewards; specifies the commissioner's investigative powers; establishes fees commensurate with costs; amends Sections 2-8-103, 2-15-1881, 23-4-101, 23-4-103 through 23-4-105, 23-4-201, 23-4-202, 23-4-204, 23-4-205, 23-4-301, 23-4-304, and 23-4-305, MCA; repeals section 23-4-102, MCA; and provides an effective date."

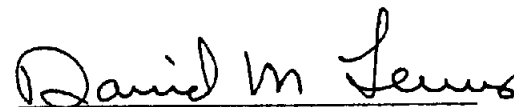
ASSUMPTIONS:

- 1) Assume commissioner salary to be applicable to a Grade 15, Step 6, 1 FTE.
- 2) Assume no additional personnel required.
- 3) Assume operating expenses to remain at current level.

FISCAL IMPACT:

	<u>FY 84</u>	<u>FY 85</u>
<u>Expenditures:</u>		
Under Current Law	\$269,837	\$279,391
Under Proposed Law	275,082	286,871
Increase In Expenditures	<u>\$ 5,245</u>	<u>\$ 7,480</u>
<u>Revenue:</u>		
Under Current Law	\$220,000	\$220,000
Under Proposed Law	220,000	220,000
	<u>\$ -0-</u>	<u>\$ -0-</u>

FISCAL NOTE 10:W/1

REVISED FISCAL NOTE


BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-9-83