

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 214

Session of
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INTRODUCED BY MESSRS. BRUNNER, CIANCIULLI, ZEARFOSS, GARZIA AND
MRS. SCANLON, FEBRUARY 9, 1977

REFERRED TO COMMITTEE ON FINANCE, FEBRUARY 9, 1977

AN ACT

1 Providing for and regulating dog racing with pari-mutuel
2 wagering on the results thereof, creating the State Dog
3 Racing Commission as an independent administrative commission
4 and defining its powers and duties; providing for the
5 establishment and operation of dog racing plants; imposing
6 taxes on revenues of such plants; disposing of all moneys
7 received by the commission and all moneys collected from the
8 taxes; authorizing penalties; and making appropriations.

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24 The General Assembly of the Commonwealth of Pennsylvania
25 hereby enacts as follows:

26 Section 1. State Dog Racing Commission.

27 The State Dog Racing Commission is hereby established as an
28 independent administrative commission, and it shall have general
29 jurisdiction over all pari-mutuel dog racing activities in the
30 State and the corporations engaged therein. Such commission

1 shall consist of three members who shall be appointed by the
2 Governor, by and with the advice and consent of the Senate. The
3 Governor shall designate one of the members as chairman of the
4 Commission. The chairman of such commission shall hold office
5 for a term of three years, and the other two members shall hold
6 office for terms of one and two years, respectively, as
7 designated by the Governor. Thereafter their successors shall be
8 appointed for a full term of three years. Such commissioners
9 shall receive no salary but shall be reimbursed for expenses
10 incurred in the performance of their official duties. The
11 commission shall appoint such deputies, secretaries, officers,
12 representatives and counsel as it may deem necessary, who shall
13 serve during its pleasure, and shall also appoint such employees
14 it may deem necessary and whose duties shall be prescribed by
15 the commission and whose compensation shall be fixed by the
16 commission within the appropriations available therefor. It
17 shall be the duty of the secretary to keep a full and faithful
18 record of the proceedings of such commission, preserve at the
19 general office of such commission all books, maps, documents,
20 and papers entrusted to his care, prepare for service such
21 papers and notices as may be required of him by the commission,
22 and perform such other duties as the commission may prescribe.
23 It shall be the duty of the secretary to keep, at the offices of
24 the commission, a docket setting forth the names of all
25 stockholders in all corporations licensed under this act, the
26 number of shares held by each such stockholder, and the date on
27 which each shareholder acquired his stock in the corporate
28 licensee. Such docket shall be open for public inspection. The
29 commission, or such officers, employees or agents of the
30 commission as may be designated by the commission for such

1 purpose, shall have the power to administer oaths and examine
2 witnesses, and may issue subpoenas to compel attendance of
3 witnesses, and the production of all relevant and material
4 reports, books, papers, documents, correspondence, and other
5 evidence. Such commission shall, annually, by March 1, make a
6 full report to the Governor of its proceedings for the preceding
7 calendar year and such suggestions and recommendations as it
8 shall deem desirable.

9 Section 2. General powers of State Dog Racing Commission.

10 (a) General powers.--Pursuant to the provisions of this act,
11 the State Dog Racing Commission shall have power to supervise
12 generally all dog race meetings in this State at which pari-
13 mutuel betting is conducted. The commission may adopt rules and
14 regulations not inconsistent with this act to carry into effect
15 its purposes and provisions and to prevent circumvention or
16 evasion thereof.

17 (b) Specific powers.--Without limiting the generality of the
18 foregoing, and in addition to its other powers:

19 (1) The State Dog Racing Commission shall have power to
20 fix minimum and maximum charges for admission to dog race
21 meetings at which pari-mutuel betting is conducted, but such
22 minimum charges shall not be less than 50¢ for general
23 admission, exclusive of taxes, except that the commission
24 shall have power to fix the charge for admission of soldiers,
25 sailors and marines, in uniform, at one-half of the amount
26 fixed for such admission generally under authority of this
27 section, whether or not such one-half of the amount fixed is
28 less than the minimum prescribed therein.

29 (2) The State Dog Racing Commission shall prescribe
30 rules and regulations for effectually preventing the use of

1 improper devices, the administration of drugs or stimulants,
2 or other improper acts for the purpose of affecting the speed
3 of dogs in races in which they are about to participate.

4 (3) The rules of the commission shall also provide that
5 all winning pari-mutuel tickets must be presented for payment
6 before April 1 of the year following the year of their
7 purchase and failure to present any such ticket within the
8 prescribed period of time shall constitute a waiver of the
9 right to participate in the award or dividend. After April 1
10 of the year following, all licensees will forward to the
11 State Treasurer all funds so held for such uncashed tickets.

12 Section 3. Incorporation.

13 (a) Certificate.--Any number of persons, not less than five,
14 may incorporate for the purpose of conducting dog race meetings
15 at which pari-mutuel betting will be conducted, with all the
16 general powers of corporations created under the laws of this
17 State, by making, signing, acknowledging and filing with the
18 Department of State a certificate which shall contain:

19 (1) The name of the proposed corporation.

20 (2) The objects for which it is to be formed and the
21 location at which it is proposed to conduct its business.

22 (3) The amount and description of the capital stock.

23 (4) The location of its principal business office.

24 (5) Its duration, which may be forever.

25 (6) The number of its directors, not less than 5 nor
26 more than 13.

27 (7) The names and post office addresses of the directors
28 for the first year.

29 (8) The post office addresses of the subscribers and a
30 statement of the number of shares of stock which each agrees

1 to take in the corporation.

2 (b) Other requirements.--Each such certificate shall be
3 accompanied by the fees, bonus and taxes required by law in the
4 case of corporations organized under the act of May 5, 1933
5 (P.L.364, No.106), known as the "Business Corporation Law."

6 (c) Restrictions.--No corporation organized pursuant to this
7 act shall have or be given the right or power to conduct any dog
8 race meet pursuant to this act, except on obtaining a license
9 from the commission and at the location designated in its
10 certificate of incorporation as the place at which it was
11 proposed to conduct its business. This restriction shall not
12 apply to any such corporation whose racing plant or the
13 usefulness thereof or of any material part thereof, in the
14 discretion of the commission, shall, for any reason beyond the
15 control of such corporation, be totally destroyed or so
16 substantially interfered with or damaged as to render same unfit
17 for continued operation. Pending the rebuilding or restoration
18 of its usefulness, or the making of the required repairs to said
19 plant or the part thereof so destroyed or damaged, the State Dog
20 Racing Commission may license such corporation to conduct its
21 dog racing meetings at any other suitable location.

22 Section 4. Filing of information concerning stock transfers;
23 necessity for commission's approval.

24 (a) Affidavit.--Whenever a transfer of stock of any
25 corporation which is licensed under this act, or of any
26 corporation which leases to such licensee the track at which it
27 conducts pari-mutuel dog races or which owns 25% or more of the
28 stock of such licensee shall be made, there shall be filed,
29 simultaneously, with the corporation which issued such stock the
30 following:

1 (1) In duplicate, an affidavit executed by the
2 transferee stating that he is to be the sole beneficial owner
3 thereof, and whether or not he:

4 (i) has been convicted of a crime involving moral
5 turpitude;

6 (ii) has been engaged in bookmaking or other forms
7 of illegal gambling;

8 (iii) has been found guilty of any fraud or
9 misrepresentation in connection with dog racing or
10 breeding;

11 (iv) has been guilty of any violation or attempt to
12 violate any law, rule or regulation of any dog racing
13 jurisdiction, for which suspension from dog racing might
14 be imposed in such jurisdiction; or

15 (v) has violated any rule, regulation or order of
16 the commission.

17 If the transferee is not, or is not to be, the sole beneficial
18 owner thereof, then there shall be annexed to said affidavit of
19 the transferee, and expressly stated in such affidavit to be
20 deemed a part thereof, a true and complete copy of all terms of
21 the agreement pursuant to which the stock is to be so held by
22 the transferee, including a detailed statement of the interest
23 therein of each person who is to have any interest therein; and

24 (2) In duplicate, an affidavit executed by each person
25 for whom the said stock, or any interest therein, is to be
26 held by said transferee, setting forth whether or not the
27 affiant:

28 (i) has been convicted of a crime involving moral
29 turpitude;

30 (ii) has engaged in bookmaking or other forms of

1 illegal gambling;

2 (iii) has been found guilty of any fraud or
3 misrepresentation in connection with dog racing or
4 breeding;

5 (iv) has been guilty of any violation or attempt to
6 violate any law, rule or regulation of any dog racing
7 jurisdiction, for which suspension from dog racing might
8 be imposed in such jurisdiction; or

9 (v) has violated any rule, regulation or order of
10 the commission.

11 To each of such affidavits shall be annexed, and expressly
12 stated in such affidavit to be deemed a part thereof, a true and
13 complete copy of all the terms of the agreement pursuant to
14 which stock is to be so held by the transferee, including a
15 detailed statement of the interest therein of each person who is
16 to have any interest herein. Said corporation shall forthwith
17 file with the commission one of each of said duplicate
18 affidavits.

19 (b) Additional affidavit required.--If, after the filing of
20 any affidavit hereinabove required to be filed, there shall be
21 any change in the status of any such affiant with respect to any
22 of the matters set forth in subsection (a)(1) of the affidavit
23 theretofore filed by him, such affiant shall forthwith file with
24 the corporation with which his affidavit was so filed a new
25 affidavit executed by him in duplicate, setting forth such
26 change of status, and the corporation shall forthwith file one
27 of said affidavits with the commission.

28 (c) Additional affidavit required for stock transfers.--
29 Whenever any change shall be made in the amount, nature, or
30 otherwise, of the interest of any person having an interest in

1 stock of any such corporation, or any new interest shall be
2 created therein, without a transfer thereof as hereinabove
3 provided, the record owner of such stock, and each person whose
4 interest therein has been so attempted to be changed or created,
5 shall file with the corporation which issued such stock, in
6 duplicate, affidavits as provided by subsection (a)(1) and (2),
7 except that such affidavits need not include the matter referred
8 to in subsection (a) unless then required pursuant to subsection
9 (b) and one copy thereof shall forthwith be filed by the
10 corporation with the commission.

11 (d) Commission's power to order divestment.--If the
12 commission determines that it is inconsistent with the public
13 interest, convenience, or necessity, or with the best interest
14 of dog racing generally, that any person continue to be a
15 stockholder of record, or the beneficial owner of any interest
16 in stock standing in the name of another in any corporation
17 licensed under this act, or of any corporation which leases to
18 such licensee the track at which it conducts pari-mutuel dog
19 racing or which owned 25% or more of the stock of such licensee,
20 the commission shall have full power and authority to order or
21 direct each such stockholder or beneficial owner to dispose of
22 his stock or interest therein within a period of time to be
23 specified by the commission, which period the commission shall
24 have full power and authority to extend from time to time.

25 (e) Hearing on divestment order.--If the commission shall
26 make any order or direction as provided in subsection (d), the
27 person aggrieved thereby shall be given notice of the time and
28 place of a hearing before the commission, at which the
29 commission will hear such person in reference thereto. The
30 action of the commission in making any such order or direction

1 shall be reviewable in the Commonwealth Court.

2 Section 5. Pari-mutuel betting at dog races.

3 Three corporations shall be licensed by the State Dog Racing
4 Commission to conduct a pari-mutuel meet or meets. One
5 corporation shall conduct its meets in Philadelphia, one in
6 Pittsburgh and one in the central Pennsylvania area. No
7 corporation shall be licensed to conduct dog racing for more
8 than 60 days in any calendar year. Said pari-mutuel betting
9 conducted at such meeting shall be under the general supervision
10 and control of the State Dog Racing Commission which shall make
11 rules regulating the conduct of such pari-mutuel betting in
12 accordance with the provisions of this act. The Department of
13 Revenue is charged with the financial administration of pari-
14 mutuel betting as prescribed in this act and as supplemented by
15 the rules and regulations of the State Dog Racing Commission.
16 The Department of Revenue shall have authority to prescribe the
17 forms and the system of accounting to be employed, and through
18 its representatives shall, at all times, have power of access
19 to, and examination of, any equipment relating to such betting.

20 Section 6. State admission tax.

21 (a) Imposition of tax.--Every corporation holding a dog race
22 meeting pursuant to this act shall collect, in addition to the
23 admission price of tickets sold or otherwise disposed of, for
24 each such meeting held by such corporation, a tax equivalent to
25 15% of such admission price, or 15¢, whichever is greater, which
26 tax is hereby imposed. In case of failure to collect such tax,
27 the same shall be imposed upon the corporation holding the race
28 meeting. Such tax shall be paid to the Department of Revenue
29 within ten days of collection. The amounts so collected shall be
30 paid into the State Treasury to the credit of the State Dog

1 Racing Fund. Before any corporation liable to pay the tax hereby
2 imposed shall hold any race meeting, or exercise any of the
3 powers conferred by this act, it or he shall pay all taxes
4 theretofore due, and shall file a statement with the Department
5 of Revenue containing the name of the place and stating the time
6 when such races are to be held.

7 (b) Powers of Department of Revenue.--The Department of
8 Revenue shall have the power to examine, or cause to be
9 examined, the books and records of the corporation so conducting
10 any such dog race meeting, and may hear testimony and take
11 proofs and material for its information therefrom, or from any
12 other data which shall be satisfactory to it. The Department of
13 Revenue may order and state an account for the tax due the
14 State, together with the expense of such examination. A penalty
15 of 5% and interest at the rate of 1% per month from the due date
16 to the date of payment of the tax shall be payable in case any
17 tax imposed by this section is not paid when due.

18 Section 7. Licenses for dog race meetings.

19 (a) Application for and issuance of licenses.--Any
20 corporation desiring to conduct dog race meetings at which pari-
21 mutuel betting shall be permitted may apply to the State Dog
22 Racing Commission for a license to do so. If, in the judgment of
23 the State Dog Racing Commission, the public interest,
24 convenience or necessity will be served thereby and a proper
25 case for the issuance of such license is shown consistent with
26 the purposes of this act and the best interests of dog racing
27 generally, it may grant such license for a term ending not later
28 than November 15 next succeeding the granting thereof,
29 specifying dates and hours during which, and the place where,
30 the licensee may operate. Any license so issued may be renewed

1 upon application.

2 (b) Conditions.--Every such license shall be issued upon
3 condition:

4 (1) That every dog race meeting at which pari-mutuel
5 betting is conducted shall be subject to the supervision of
6 and to the reasonable rules and regulations from time to time
7 prescribed by the State Dog Racing Commission.

8 (2) That pari-mutuel betting conducted thereunder shall
9 also be subject to the supervision of and to the reasonable
10 regulations from time to time prescribed by the Department of
11 Revenue. Any such license may also be issued upon any other
12 condition that the State Dog Racing Commission shall
13 determine to be necessary or desirable to insure that the
14 public interest, convenience or necessity is served.

15 (c) Forms and definition.--Applications for licenses shall
16 be in such form as may be prescribed by the commission and shall
17 contain such information or other material or evidence as the
18 commission may require. The term "racing week" shall not include
19 Sunday, and no racing shall be authorized or permitted on that
20 day.

21 (d) Grounds for refusal of license.--The commission may
22 refuse to grant a license to a corporation, if it shall
23 determine that:

24 (1) Any officer, director, member or stockholder of such
25 corporation applying for a license or of any corporation
26 which owns stock in or shares in the profits, or participates
27 in the management of the affairs of such applicant, or which
28 leases to such applicant the track where it shall operate:

29 (i) has been convicted of a crime involving moral
30 turpitude;

1 (ii) has engaged in bookmaking or other forms of
2 illegal gambling;

3 (iii) has been found guilty of any fraud or
4 misrepresentation in connection with dog racing or
5 breeding;

6 (iv) has been guilty of any violation or attempt to
7 violate any law, rule or regulation of any dog racing
8 jurisdiction, for which suspension from racing might be
9 imposed in such jurisdiction; or

10 (v) has violated any rule, regulation or order of
11 the commission.

12 (2) The experience, character, or general fitness of any
13 officer, director, or stockholder of any of the aforesaid
14 corporations is such that the participation of such person in
15 dog racing or related activities would be inconsistent with
16 the public interest, convenience or necessity or with the
17 best interests of dog racing generally, but if the commission
18 determines that the interest of any stockholder referred to
19 in this paragraph or in paragraph (1) is sufficient, in the
20 opinion of the commission, to affect adversely the conduct of
21 pari-mutuel dog racing by such corporation in accordance with
22 the provisions of this act, the commission may disregard such
23 interest in determining whether or not to grant a license to
24 such corporation.

25 (3) The applicant is not the owner or the lessee of the
26 track at which it will conduct pari-mutuel dog racing
27 pursuant to the license applied for, or that any person, firm
28 association, or corporation other than the applicant shares,
29 or will share, in the profits of the applicant, other than by
30 dividends as a stockholder, or participates, or will

1 participate, in the management of the affairs of the
2 applicant.

3 (e) Other grounds for refusal.--The commission shall also
4 have power to refuse to grant a license:

5 (1) To any corporation, the charter or certificate of
6 incorporation of which shall fail to contain a provision
7 requiring any stockholder, upon written demand of the
8 corporation, to sell his stock to the corporation at a price
9 to be fixed by the commission, provided such demand be made
10 pursuant to written direction of the commission, and from and
11 after the date of the making of such demand prohibiting the
12 transfer of such certificate of stock except to the
13 corporation.

14 (2) To any corporation which, having been a licensee,
15 has failed, in the opinion of the commission, to properly
16 maintain its track and plant in good condition or has failed
17 to make adequate provision for rehabilitation and capital
18 improvements to its tract and plant.

19 (f) Temporary license.--Pending final determination of any
20 question under this section, the commission may issue a
21 temporary license upon such terms and conditions as it may deem
22 necessary, desirable or proper to effectuate the provisions of
23 this act.

24 (g) Stock certificates.--The commission shall have power to
25 direct that every certificate of stock of a corporation licensed
26 under the provisions of this act shall bear a legend, plainly
27 and prominently imprinted upon the face of the certificate
28 reading: "This certificate of stock is transferable only subject
29 to the provisions of the Pennsylvania Dog Racing Law."

30 Section 8. Shareholders.

1 (a) List.--Each licensee shall provide the commission with a
2 complete list of all its stockholders, indicating the number of
3 shares held by each shareholder.

4 (b) Duty to notify upon transfer.--It shall be the duty of
5 each licensee, within ten days after any transfer of stock of
6 such licensee, to notify the State Dog Racing Commission of such
7 transfer.

8 (c) Contents of certificate.--Each certificate of stock
9 issued by a licensee shall have noted on the face thereof that
10 the person whose name is indicated as the owner of the shares of
11 stock represented by such certificate is the sole and absolute
12 owner thereof, and that he is not holding the shares of stock or
13 any portion of the shares of stock represented by said
14 certificate in trust for any person, partnership, firm or
15 corporation whatsoever, who or which is prohibited by this act
16 from owning such shares of stock. If any of the shares of stock
17 represented by a certificate of stock are held subject to the
18 terms of either an inter vivos or testamentary trust for the
19 benefit of any person who could lawfully own such stock in his
20 own name, such fact shall be so noted on the face of the
21 certificate and a copy of the instrument which created the trust
22 shall be attached thereto. A duplicate copy of the instrument
23 which created the trust shall be filed with the commission.

24 (d) Forfeiture of stock.--No property rights shall exist in
25 any shares of stock of any licensee which are held in trust
26 contrary to the provisions of this section and the same shall be
27 forfeited to the Commonwealth of Pennsylvania, after reasonable
28 notice, and upon hearing and proof thereof in any suit
29 instituted by the Attorney General of Pennsylvania in
30 Commonwealth Court. Upon it being established that such stock is

1 subject to forfeiture by legal adjudication as herein provided,
2 the State Dog Racing Commission shall sell such forfeited stock
3 at public sale, upon proper notice, to the highest public
4 bidder. The proceeds from such sale shall be deposited in the
5 General Fund of the Commonwealth of Pennsylvania.

6 (e) Definition.--As used in this section the term "licensee"
7 shall mean any association or corporation which holds any
8 license from the State Dog Racing Commission, or any firm,
9 association or corporation which owns or leases to any licensed
10 association or corporation a race track at which pari-mutual dog
11 racing is conducted, or any firm, association or corporation
12 which participates in the management of any association or
13 corporation which holds any license from the commission.

14 (f) Construction of section.--The provisions of this section
15 shall be in effect in addition to the provisions of section 4.
16 Section 9. Prohibition of interest by public officers, public
17 employees and party officers in pari-mutuel dog
18 racing activities.

19 (a) General rule.--No public officer, public employee or
20 party officer shall:

21 (1) hold any license from the State Dog Racing
22 Commission;

23 (2) own or hold, directly or indirectly, any proprietary
24 interest, stock or obligation of any firm, association or
25 corporation:

26 (i) which is licensed by such commission to conduct
27 pari-mutuel dog racing,

28 (ii) which is licensed to conduct its occupation,
29 trade or business at dog race tracks at which pari-mutuel
30 dog race meets are conducted,

(iii) which owns or leases to any licensed association or corporation a dog race track at which pari-mutuel racing is conducted; or

(iv) which participates in the management of any licensee conducting pari-mutuel dog racing;

(3) hold any office or employment with any firm, association or corporation specified in paragraph (2); or

(4) sell (or be a member of a firm or own 10% or more of the stock of any corporation which sells) any goods or services to any firm, association or corporation specified in paragraph (2).

The provisions of paragraph (3) shall not apply to a public employee of a political subdivision (other than a police officer or paid employee of a police department, sheriff's office, district attorney's office or other law enforcement agency) whose compensation is less than \$6,000 per annum, except that such employment of employees of a political subdivision may be prohibited by ordinance, resolution or local law adopted by the local legislative body or other governing board of such political subdivision.

(b) Penalty. Notwithstanding any other provision of law and in addition to any other cause of removal provided by law, a knowing and wilful violation of this section shall be cause for removal from public office, public employment or party office. In any such case, such public officer, public employee or party officer, violating this section, shall be removed from office by appropriate authority having the power of removal or at the suit of the Attorney General.

(c) Refusal to grant, and suspension and revocation of licenses.--The State Dog Racing Commission shall have the power

1 to refuse to grant or to revoke or suspend a license of any
2 firm, association or corporation which aids or knowingly permits
3 or conspires to permit any public officer, public employee or
4 party officer to acquire or retain any interest prohibited by
5 this section.

6 (d) Definitions.--The following words and phrases when used
7 in this section shall have, unless the context clearly indicates
8 otherwise, the meanings given to them in this subsection:

9 "Party officer." The following members or officers of any
10 political party:

11 (1) A member of a National committee.

12 (2) A chairman, vice-chairman, secretary, treasurer of
13 counsel of a State committee.

14 (3) A county chairman, vice-chairman, counsel, secretary
15 or treasurer of a county committee.

16 (4) A city chairman, vice-chairman, counsel, secretary
17 or treasurer of a city committee.

18 "Public employee." Every person employed by the Commonwealth
19 or any political subdivision thereof.

20 "Public officer." Every person elected to any public office
21 of the Commonwealth or any political subdivision thereof.

22 Section 10. Officials at dog race meetings.

23 At all dog race meetings licensed by the State Dog Racing
24 Commission in accordance with the provisions of this act,
25 qualified stewards, judges and starters shall be approved by the
26 commission. Such officials shall enforce the rules and
27 regulations of the State Dog Racing Commission and shall render
28 regular written reports of the activities and conduct of such
29 race meetings to the State Dog Racing Commission. The
30 compensation of such judges and starters shall be fixed by the

1 State Dog Racing Commission and paid by the corporation
2 conducting such race meeting.

3 Section 11. License for participants and employees of dog race
4 meetings.

5 (a) General rule.--For the purpose of maintaining a proper
6 control over dog race meetings conducted pursuant to this act,
7 the State Dog Racing Commission may license trainers and such
8 other persons participating in dog race meets, as the commission
9 may by rule prescribe, including, if the commission deems it
10 necessary to do so, owners and some or all persons exercising
11 their occupation or employed at dog race meets. The State Dog
12 Racing Commission may, by rule, fix the license fees to be paid
13 by persons or corporations so licensed, except that such
14 occupational license fees so fixed shall not exceed \$5, which
15 fees shall be paid to the commission and by it paid into the
16 State Treasury through the Department of Revenue and credited to
17 the State Dog Racing Fund. All such licenses, unless revoked for
18 cause, shall be for the period ending December 31 of the year in
19 which the same shall be issued. The application shall be in such
20 form and contain such information as the commission may require.

21 (b) Issuance of license.--If the State Dog Racing Commission
22 shall find that the experience, character and general fitness of
23 the applicant are such that the participation of such person in
24 dog race meets will be consistent with the public interest,
25 convenience and necessity, and with the best interests of dog
26 racing generally in conformity with the purposes of this act, it
27 may thereupon grant a license.

28 (c) Grounds for refusal to grant license.--Without limiting
29 the generality of subsection (b), the commission may refuse to
30 issue a license pursuant to this section, if it shall find that

1 the applicant:

2 (1) Has been convicted of a crime involving moral
3 turpitude.

4 (2) Has engaged in bookmaking or other form of illegal
5 gambling.

6 (3) Has been found guilty of any fraud or
7 misrepresentation in connection with dog racing, or breeding.

8 (4) Has been found guilty of any violation or attempt to
9 violate any law, rule or regulation of dog racing in any
10 jurisdiction, for which suspension from dog racing might be
11 imposed in such jurisdiction.

12 (5) Has violated any rule, regulation or order of the
13 commission.

14 (d) Suspension and revocation of licenses.--The commission
15 may suspend or revoke a license issued pursuant to this section,
16 if it shall determine that:

17 (1) The applicant or licensee:

18 (i) has been convicted of a crime involving moral
19 turpitude;

20 (ii) has engaged in bookmaking or other form of
21 illegal gambling;

22 (iii) has been found guilty of any fraud in
23 connection with dog racing or breeding;

24 (iv) has been guilty of any violation or attempt to
25 violate any law, rule or regulation of any dog racing
26 jurisdiction for which suspension from dog racing might
27 be imposed in such jurisdiction; or

28 (v) who has violated any rule, regulation or order of
29 the commission.

30 (2) That the experience, character, or general fitness

1 of any applicant or licensee is such that the participation
2 of such person in dog racing or related activities would be
3 inconsistent with the public interest, convenience or
4 necessity or with the best interests of dog racing generally.

5 (e) Temporary licenses.--Pending final determination of any
6 question under this section, the commission may issue a
7 temporary license upon such terms and conditions as it may deem
8 necessary, desirable or proper to effectuate the provisions of
9 this act.

10 Section 12. Power of State Dog Racing Commission to impose
11 fines and penalties.

12 In addition to its power to suspend or revoke licenses
13 granted by it, the State Dog Racing Commission is hereby
14 authorized and empowered to impose fines upon any corporation,
15 association, or person participating in any way in any dog race
16 meet at which pari-mutuel betting is conducted, other than as a
17 patron, and whether licensed by the commission or not, for a
18 violation of any provision of this act or the rules promulgated
19 by the commission pursuant thereto, not exceeding \$5,000 for
20 each violation, which fines shall be paid into the State
21 Treasury through the Department of Revenue and credited to the
22 General Fund. The action of the commission in imposing any
23 monetary fine shall be subject to appeal to Commonwealth Court
24 and as approved by that court, or if no appeal is taken, then as
25 imposed, may be collected in an action of assumpsit.

26 Section 13. Refunds.

27 Moneys received by the commission pursuant to this act may,
28 within one year from the receipt thereof, be refunded, to the
29 party for whose account the same were received, on proof
30 satisfactory to the commission that:

1 (1) Such moneys were in excess of the amount required by
2 law.

3 (2) The license for which application was made has been
4 refused by the commission.

5 (3) Such moneys were received as a fine and the
6 commission has, after review, reduced the amount of such
7 fine.

8 (4) Upon appeal, the court reduced or remitted the fine
9 imposed and paid.

10 Such refunds shall, upon approval by the commission and after
11 approval by the Board of Finance and Revenue, be paid from any
12 moneys in the State Dog Racing Fund and as much of such moneys
13 as may be necessary from time to time is hereby appropriated for
14 that purpose.

15 Section 14. Place and manner of conducting pari-mutuel
16 betting.

17 Any corporation licensed to conduct pari-mutuel betting at a
18 dog race meeting shall provide a place or places within race
19 meeting grounds or enclosure, at which such licensee shall
20 conduct the pari-mutuel system of betting by its patrons on the
21 result of the dog races at such meetings. Such licensee shall
22 cause to be erected a sign or board upon which shall be
23 displayed the approximate straight odds on each dog in any race;
24 the value of a \$2 winning mutuel ticket, straight, place or show
25 on the first three dogs in the race; the elapsed time of the
26 race; the value of a \$2 winning daily double ticket, if a daily
27 double be conducted, and any other information that the State
28 Dog Racing Commission may deem necessary for the guidance of the
29 general public. The commission may prescribe, by rule, the type
30 and kind of equipment to be used for the display of the

1 foregoing information or any part thereof.

2 Section 15. Books and records of pari-mutuel betting.

3 Every corporation, conducting dog race meetings at which
4 pari-mutuel betting is authorized, shall keep its books and
5 records so as to clearly show by separate record the total
6 amount of money contributed to every pari-mutuel pool, including
7 daily double pools, if any. The Department of Revenue or its
8 duly authorized representative shall, at all reasonable times,
9 have access to all such books and records for the purpose of
10 examining and checking the same and ascertaining whether or not
11 the proper amount or amounts due to the State of Pennsylvania
12 are being paid by such licensed corporation.

13 Section 16. Filing of certain agreements with the State Dog
14 Racing Commission.

15 Every corporation licensed to conduct dog race meetings at
16 which pari-mutuel betting is permitted shall promptly after
17 entering any lease agreement concerning any concession, labor
18 management relation, the hiring of designated classes of
19 officers, employees, or contractors specified by the commission,
20 or any such other contract, agreement or arrangements as the
21 State Dog Racing Commission may from time to time prescribe,
22 file with the State Dog Racing Commission a true and correct
23 copy, or an accurate summary, if oral, thereof.

24 Section 17. Disposition of pari-mutuel pools.

25 Every corporation authorized under this act to conduct pari-
26 mutuel betting at a dog race meeting on races run thereat shall
27 distribute all sums deposited in any pari-mutuel pool to the
28 holders of winning tickets therein, provided such tickets be
29 presented for payment before April 1 of the year following the
30 year of their purchase, less 15% of the total deposits plus the

1 breaks. At the close of each racing day, the permit holder out
2 of the amount retained on said day by said permit holder, shall
3 pay, through the Department of Revenue into the State Treasury
4 for credit to the State Dog Racing Fund, a tax of 5% of the
5 amount wagered each day, which tax is hereby imposed. In
6 addition, each permit holder shall be allowed to retain the odd
7 cents of all redistribution to be made on all mutuel
8 contributions exceeding a sum equal to the next lowest multiple
9 of ten, subject to a tax of 50% of the total sum of such odd
10 cents, which tax is hereby imposed and shall be paid by the
11 permit holder at the close of each racing day to the Department
12 of Revenue for credit to the State Dog Racing Fund.

13 Section 18. Disposition and appropriation of funds accruing
14 under the provisions of this act.

15 (a) State Dog Racing Fund.--All moneys paid into the State
16 Treasury under the provisions of this act shall be paid into a
17 special fund hereby created and to be known as the State Dog
18 Racing Fund.

19 (b) Appropriations from fund.--As much as may be necessary
20 of such moneys is hereby appropriated to pay:

21 (1) The salaries of employees of the commission employed
22 by or for it in accordance with the provisions of the act of
23 April 9, 1929 (P.L.177, No.175), known as "The Administrative
24 Code of 1929," and its amendments.

25 (2) The payment of the compensation of employees of the
26 Department of Revenue when used in collecting taxes and
27 penalties imposed by this act.

28 (3) To pay all other expenses incurred by the commission
29 in administering this act.

30 (c) Disposition of remaining funds. The balance of all

1 moneys remaining in the State Dog Racing Fund and not required
2 for payments under subsection (b) shall be paid into the General
3 Fund.

4 Section 19. Revocation of license.

5 The State Dog Racing Commission may revoke or suspend a
6 license for the conduct of dog race meetings at which pari-
7 mutuel betting is conducted:

8 (1) for any cause which would permit or require its
9 refusal to issue a license; or

10 (2) if it shall determine that the corporation, to which
11 such license shall have been issued, or its officers or
12 directors fail to conduct racing at its track, including
13 pari-mutuel betting on the races thereat, in accordance with
14 the terms and conditions of such license, the rules of such
15 commission or of the Department of Revenue, or the provisions
16 of this act, or if such corporation or its officers or
17 directors shall knowingly permit on its grounds or within the
18 enclosure of its race track, lotteries, pool selling or
19 bookmaking, or any other kind of gambling, in violation of
20 this act or of Title 18 of the Pennsylvania Consolidated
21 Statutes (relating to crimes and offenses).

22 Section 20. Hearing of refusal or revocation of license.

23 If the State Dog Racing Commission shall refuse to grant a
24 license applied for under this act, or shall revoke or suspend
25 such a license granted by it, the applicant or licensee may
26 demand, within ten days after notice of the said act of the
27 commission, a hearing before the commission and the commission
28 shall give prompt notice of a time and place for such hearing at
29 which the commission will hear such applicant or licensee in
30 reference thereto. Pending such a hearing and final

1 determination thereon, the action of the commission in refusing
2 to grant or in revoking or suspending a license shall remain in
3 full force and effect. The commission may continue such hearing
4 from time to time for the convenience of any of the parties. Any
5 of the parties affected by such hearing may be represented by
6 counsel, and the commission shall be represented by the Attorney
7 General, or a deputy attorney general. In the conduct of such
8 hearing, the commission shall not be bound by technical rules of
9 evidence, but all evidence offered before the commission shall
10 be reduced to writing, and such evidence, together with the
11 exhibits, if any, and the findings of the commission shall be
12 permanently preserved and shall constitute the record of the
13 commission in such case. In connection with such hearing, the
14 commission shall have the power to administer oaths and examine
15 witnesses, and may issue subpoenas to compel attendance of
16 witnesses, and the production of all material and relevant
17 reports, books, papers, documents, correspondence and other
18 evidence. The commission may, if occasion shall require, by
19 order, refer to one or more of its officers the duty of taking
20 testimony in such matter, and to report thereon to the
21 commission, but no determination shall be made therein except by
22 the commission. Within 30 days after the conclusion of such
23 hearing, the commission shall make a final order in writing,
24 setting forth the reasons for the action taken by it and a copy
25 thereof shall be served on such applicant or licensee, as the
26 case may be. The action of the commission in refusing to grant a
27 license or in revoking or suspending a license shall be
28 reviewable by the Commonwealth Court as provided in the act of
29 June 4, 1945 (P.L.1388, No.442), known as the "Administrative
30 Agency Law."

1 Section 21. Approval of plans of corporation.

2 The State Dog Racing Commission shall not grant to a
3 corporation hereafter formed pursuant to this act a license to
4 conduct a dog race meeting at which pari-mutuel betting may be
5 conducted within the State, until such corporation shall have
6 submitted to the commission a statement of the location of tis
7 proposed grounds and race track, together with a plan of such
8 track and plans of all buildings, seating stands, and other
9 structures, in such form as the commission may prescribe, and
10 such plans shall have been approved by the commission.

11 Section 22. Prohibition of wagering by certain officials,
12 employees and minors; prohibition of attendance by
13 minors.

14 No commissioner, secretary, deputy, officer, representative,
15 employee or counsel of the commission shall bet upon the outcome
16 of any dog race conducted at a track at which pari-mutuel
17 betting is conducted by any licensee of the commission, and no
18 corporation which is licensed under this act shall permit any
19 person who is actually and apparently under 18 years of age to
20 bet at or attend a dog race meeting conducted by it. This
21 section shall not be construed to prohibit persons under 18
22 years of age, who are legally employed, from being in and upon
23 the race track premises for the purpose solely of engaging in
24 the performance of their duties as employees. The State Dog
25 Racing Commission shall, by rule, provide for enforcement of
26 this section.

27 Section 23. Free passes, cards, or badges.

28 A corporation licensed to conduct pari-mutuel betting on dog
29 races run at its race track shall not issue free passes, cards,
30 or badges except to persons hereafter described: Officers and

1 employees of the corporation conducting the race meeting;
2 members, officers and employees of the State Dog Racing
3 Commission, members of dog racing associations of other states
4 and foreign counties; public officers engaged in the performance
5 of their duties; persons actually employed and accredited by the
6 press to attend such meetings; owners, stable managers,
7 trainers, concessionaires, and other persons whose actual duties
8 require their presence at such race track. The issuance of tax-
9 free passes, cards, or badges shall be under the rules and
10 regulations of the State Dog Racing Commission and a list of all
11 persons to whom free passes, cards, or badges are issued shall
12 be filed with the State Dog Racing Commission.

13 Section 24. Employees at dog race meetings.

14 At least 85% of the persons, exclusive of racing officials,
15 employed each day in the operation and conduct of the pari-
16 mutuel betting at dog race meets licensed pursuant to this act,
17 shall be citizens of the United States of America and residents
18 of the State of Pennsylvania for at least two years immediately
19 prior to the commencement of such employment in the operation
20 and conduct of pari-mutuel betting at dog race meets, and each
21 employee shall be required to execute and submit, to the
22 corporation by which he is employed, a duly verified affidavit
23 setting forth his qualifications for employment pursuant to the
24 provisions of this section.

25 Section 25. Effective date.

26 This act shall take effect immediately.