

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**  
**No. 1359** Session of  
1981

INTRODUCED BY CALTAGIRONE, RIEGER, BOWSER, COLE, DONATUCCI AND  
COCHRAN, APRIL 29, 1981

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,  
APRIL 29, 1981

AN ACT

1 Amending the act of December 11, 1967 (P.L.707, No.331),  
2 entitled "An act providing for and regulating thoroughbred  
3 horse racing with pari-mutuel wagering on the results  
4 thereof, creating the State Horse Racing Commission as an  
5 independent administrative commission and defining its powers  
6 and duties; providing for the establishment and operation of  
7 thoroughbred horse racing plants; imposing taxes on revenues  
8 of such plants; disposing of all moneys received by the  
9 commission and all moneys collected from the taxes;  
10 authorizing penalties; and making appropriations," further  
11 providing for the disposition of pari-mutuel pools and  
12 creating the Overpayment Reimbursement Fund and providing for  
13 its distribution by the commission.

14 The General Assembly of the Commonwealth of Pennsylvania  
15 hereby enacts as follows:

16 Section 1. Section 17, act of December 11, 1967 (P.L.707,  
17 No.331), referred to as the Pennsylvania Thoroughbred Horse  
18 Racing Law, amended July 17, 1977 (P.L.90, No.32), is amended to  
19 read:

20 Section 17. Disposition of Pari-mutuel Pools.--Every  
21 corporation authorized under this act to conduct pari-mutuel  
22 betting at a thoroughbred horse race meeting on races run

1 thereat, having total deposits and the pari-mutuel board average  
2 less than three hundred thousand dollars (\$300,000) a day for  
3 the previous meet of the permit holder shall distribute all sums  
4 deposited in any pari-mutuel pool to the holders of winning  
5 tickets therein, provided such tickets be presented for payment  
6 before April first of the year following the year of their  
7 purchase, less [nineteen] twenty percent of the total deposits  
8 plus the breaks from regular wagers, exacta, daily double and  
9 quinella wagering each racing day, and less [twenty-five]  
10 twenty-six percent of the total deposits plus the breaks from  
11 the trifecta wagering each racing day. All other permit holders  
12 authorized under this act to conduct pari-mutuel betting at a  
13 thoroughbred horse race meet or race run thereat, shall  
14 distribute all sums deposited in any pari-mutuel pool to the  
15 holder of the winning tickets therein, providing such tickets be  
16 presented for payment before April 1 of the year following the  
17 year of the purchase, less [seventeen] eighteen percent of the  
18 total deposit, plus the breaks from regular wagers, less  
19 [nineteen] twenty percent of the total deposits plus the breaks,  
20 from the exacta, daily double and quinella wagering each racing  
21 day and less [twenty-five] twenty-six percent of the total  
22 deposit plus the breaks from the trifecta wagering each day. At  
23 the close of each racing day, the permit holder out of the  
24 amount retained on said day by said permit holder, shall pay,  
25 through the Department of Revenue into the State Treasury for  
26 credit to the State Horse Racing Fund, a tax of four and three-  
27 quarters percent of the amount wagered each day, which tax is  
28 hereby imposed. At the close of each racing day, the permit  
29 holder shall pay one percent of the amount wagered through the  
30 Department of Revenue into the State Treasury which shall be

1 credited to the Overpayment Reimbursement Fund by the Treasury  
2 Department, which fund is hereby appropriated to the State Horse  
3 Racing Commission for distribution in accordance with the terms  
4 of this act. At the close of each racing day the permit holder  
5 shall pay one-half of one percent of the amount wagered through  
6 the Department of Revenue into the State Treasury which shall be  
7 credited to the Pennsylvania Breeding Fund by the Treasury  
8 Department, which fund is hereby appropriated to the State Horse  
9 Racing Commission for distribution in accordance with the terms  
10 of this act, and as to thoroughbred horse race meetings held  
11 within school districts of the first class the permit holder  
12 shall pay the school district in which the thoroughbred horse  
13 race meeting is held a tax of two percent of the amount wagered  
14 each day, which tax is hereby imposed for general school  
15 purposes. The remainder shall be retained by the permit holder  
16 of which at least five percent of the amount wagered each day  
17 shall be paid in purse money.

18 During the calendar years 1975 and 1976 the amount paid to  
19 the Pennsylvania Breeding Fund shall not exceed one million two  
20 hundred fifty thousand dollars (\$1,250,000) per annum. The  
21 excess moneys, if any, shall be divided in proportion to the  
22 amount wagered among the permit holders in 1975 and 1976 and  
23 shall be used exclusively for purses.

24 In addition, each permit holder shall be allowed to retain  
25 the odd cents of all redistribution to be made on all mutuel  
26 contributions exceeding a sum equal to the next lowest multiple  
27 of ten, subject to a tax of fifty percent of the total sum of  
28 such odd cents, which tax is hereby imposed and shall be paid by  
29 the permit holder at the close of each racing day to the  
30 Department of Revenue for credit to the State Horse Racing Fund.

1       Section 2. The act is amended by adding a section to read:

2       Section 17.2. Overpayment Reimbursement Fund.--(a) There is  
3 hereby created the Overpayment Reimbursement Fund which shall  
4 consist of the money appropriated under the provisions of  
5 section 17 and which shall be administered by the commission.

6       (b) The commission shall by rule or regulation, provide for  
7 distribution of the fund among pari-mutuel permit holders in  
8 such proportions as will most equitably meet the arrearages of  
9 their overpayments in purses resulting from smaller handles than  
10 anticipated. The commission shall make the initial distributions  
11 for arrearages accrued prior to the effective date of this  
12 amending act and secondly for current arrearages, i.e. those  
13 occurring after the effective date of this amending act.

14       (c) In the event a surplus in the fund occurs due to all  
15 arrears being paid off, it shall be initially distributed in  
16 equal parts to the several pari-mutuel permit holders for  
17 improvement in their laboratory and testing facilities. Should a  
18 surplus remain after such distribution, such amount as the  
19 commission shall decide may not oftener than annually be  
20 contributed to the New Bolton Center of the University of  
21 Pennsylvania for use in bettering its facilities for  
22 thoroughbred race horses.

23       Section 3. This act shall take effect immediately.