

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1188 Session of 2013

INTRODUCED BY VOGEL, PILEGGI, SCARNATI, TOMLINSON, RAFFERTY, YUDICHAK, MENSCH, WHITE, YAW, ALLOWAY, ERICKSON, McILHINNEY AND VULAKOVICH, NOVEMBER 22, 2013

SENATOR VOGEL, AGRICULTURE AND RURAL AFFAIRS, AS AMENDED, FEBRUARY 4, 2014

AN ACT

1 Amending the act of December 17, 1981 (P.L.435, No.135),
2 entitled "An act providing for the regulation of pari-mutuel
3 thoroughbred horse racing and harness horse racing
4 activities; imposing certain taxes and providing for the
5 disposition of funds from pari-mutuel tickets," further <--
6 providing for definitions; repealing provisions related to
7 the State Horse Racing Commission and State Harness Racing
8 Commission; and providing for racing oversight. FURTHER <--
9 PROVIDING FOR DEFINITIONS; REPEALING PROVISIONS RELATED TO
10 THE STATE HORSE RACING COMMISSION AND STATE HARNESS RACING
11 COMMISSION; AND PROVIDING FOR RACING OVERSIGHT.

12 The General Assembly of the Commonwealth of Pennsylvania
13 hereby enacts as follows:

14 Section 1. The definitions of "commissions," <--
15 "commissioners," "licensed corporations," "nonprimary location
16 statement" and "racetrack enclosure" in section 102 of the act
17 of December 17, 1981 (P.L.435, No.135), known as the Race Horse
18 Industry Reform Act, amended or added May 16, 1986 (P.L.205,
19 No.63) and November 30, 1988 (P.L.1090, No.127), are amended and
20 the section is amended by adding definitions to read:
21 Section 102. Definitions.

1 ~~The following words and phrases when used in this act shall~~
2 ~~have, unless the context clearly indicates otherwise, the~~
3 ~~meanings given to them in this section:~~

4 ~~"Advanced deposit wagering." A system whereby wagers are~~
5 ~~debited and payouts are credited to an advanced deposit account~~
6 ~~held by a racing association or other entity licensed by the~~
7 ~~board on behalf of a person.~~

8 ~~* * *~~

9 ~~"Board." The Pennsylvania Gaming Control Board.~~

10 ~~"Bureau." The Bureau of Horse Racing.~~

11 ~~* * *~~

12 ~~["Commissions." The State Horse Racing Commission and the~~
13 ~~State Harness Racing Commission.~~

14 ~~"Commissioners." The persons appointed by the Governor and~~
15 ~~confirmed by the Senate who serve on the State Horse Racing~~
16 ~~Commission or the State Harness Racing Commission and who~~
17 ~~administer the applicable provisions of this act.]~~

18 ~~* * *~~

19 ~~"Harness horse racing." The form of standardbred horse~~
20 ~~racing in which the horses participating are attached "in~~
21 ~~harnesses" to a sulky or other similar vehicle, at a specific~~
22 ~~gait, either a trot or pace, and that is being driven by a~~
23 ~~person.~~

24 ~~"Horse racing." Harness horse racing and thoroughbred horse~~
25 ~~racing.~~

26 ~~"Internet wagering." A legal wager placed or accepted in a~~
27 ~~state with respect to the outcome of a horse race taking place~~
28 ~~in the state or in another state, where lawful in each state~~
29 ~~involved, placed or transmitted by an individual in one state~~
30 ~~via telephone or other electronic media, including the Internet,~~

1 ~~and accepted by an off track betting system in the state or in~~
2 ~~another state, as well as the combination of any pari mutuel~~
3 ~~wagering pools.~~

4 * * *

5 ~~"Licensed corporations." The corporations that have obtained~~
6 ~~a license from [either] the former State Horse Racing Commission~~
7 ~~[or the], the former State Harness Racing Commission or the~~
8 ~~board to conduct [thoroughbred or harness] horse race meetings~~
9 ~~[respectively] with pari mutuel wagering.~~

10 * * *

11 ~~"Nonprimary location statement." The written statement~~
12 ~~pursuant to this act submitted to the [appropriate commission]~~
13 ~~board by a licensed corporation planning to establish a~~
14 ~~nonprimary location.~~

15 * * *

16 ~~"Racetrack enclosure." For purposes of this act, the term~~
17 ~~"racetrack enclosure," with respect to each licensed~~
18 ~~corporation, shall be deemed to include at least one primary~~
19 ~~racetrack location at which horse [race] racing meetings~~
20 ~~authorized to be held by the licensed corporation are conducted,~~
21 ~~and all primary, nonprimary, contiguous and noncontiguous~~
22 ~~locations of the licensed corporation which are specifically~~
23 ~~approved by the [appropriate commission] board for conducting~~
24 ~~the pari mutuel system of wagering on the results of horse races~~
25 ~~held at such meetings or [race] racing meetings conducted by~~
26 ~~another licensed corporation or televised to such locations by~~
27 ~~simulcasting.~~

28 * * *

29 ~~"Thoroughbred horse racing." The form of horse racing in~~
30 ~~which each participating horse is mounted by a jockey, is duly~~

1 ~~registered with The Jockey Club of New York and engages in races~~
2 ~~on the flat, which may include a steeplechase or hurdle race.~~
3 ~~"Totalisator." A computer system used to pool wagers, record~~
4 ~~sales, calculate payoffs and display wagering data on a display~~
5 ~~device that is located at a pari mutuel facility or non primary~~
6 ~~location.~~

7 Section 2. Chapter 2 of the act is repealed:

8 {CHAPTER 2
9 STATE HORSE RACING COMMISSION AND STATE HARNESS
10 RACING COMMISSION

11 Section 201. Establishment of the commissions.

12 (a) ~~The State Horse Racing Commission is hereby established~~
13 ~~as a departmental administrative commission within the~~
14 ~~Department of Agriculture. The commission shall have general~~
15 ~~jurisdiction over all pari mutuel thoroughbred horse racing~~
16 ~~activities in the Commonwealth and the corporations engaged~~
17 ~~therein. For the purposes of this act, "thoroughbred horse~~
18 ~~racing" means that form of horse racing in which each~~
19 ~~participating horse is mounted by a jockey, is duly registered~~
20 ~~with the Jockey Club, New York, New York and engages in races on~~
21 ~~the flat. Thoroughbred horse racing may include a steeplechase~~
22 ~~or hurdle race. The commission shall consist of three members~~
23 ~~who shall be appointed by the Governor, by and with the advice~~
24 ~~and consent of the Senate. Each commissioner shall hold office~~
25 ~~for a term of three years and until a successor is qualified.~~

26 (b) ~~The State Harness Racing Commission is hereby~~
27 ~~established as a departmental administrative commission within~~
28 ~~the Department of Agriculture. The commission shall have general~~
29 ~~jurisdiction over all pari mutuel harness racing activities in~~
30 ~~the Commonwealth and the corporations engaged therein. The~~

~~1 commission shall consist of three members who shall be appointed
2 by the Governor, by and with the advice and consent of the
3 Senate. Each commissioner shall hold office for a term of three
4 years and until a successor is qualified.~~

~~5 (c) The commissioners shall be reimbursed for documented
6 expenses incurred in the performance of their official duties.
7 The commissioners shall be paid \$150 per diem for performing
8 their duties as directed by the Secretary of Agriculture. One of
9 the commissioners for each commission shall be appointed by the
10 Governor as chairperson. The commissioner appointed by the
11 Governor as chairperson shall serve in that position at the
12 pleasure of the Governor. The Secretary of Agriculture or his
13 designee shall be a nonvoting ex officio member of the
14 commissions. The commissions shall meet at least once a month
15 and at other times as the Secretary of Agriculture or the
16 commission chairperson deems necessary. Adequate public notice
17 of the time and place of the meetings shall be given. A
18 commissioner who fails to attend three consecutive meetings
19 shall be subject to removal. A commissioner shall be excused
20 from meetings due to illness or death of an immediate family
21 member. All commissioners shall be licensed under the provisions
22 of section 213.~~

~~23 (d) Each commission shall engage an executive secretary,
24 deputies, secretaries, officers and representatives as it may
25 deem necessary, who shall serve during its pleasure. The
26 commissions shall also engage other employees as they see fit
27 and whose duties shall be prescribed by the commissions and
28 whose compensation shall be fixed by the commissions within the
29 appropriations available. Legal counsel for the commissions
30 shall be appointed in accordance with the act of October 15,~~

1 ~~1980 (P.L.950, No.164), known as the "Commonwealth Attorneys-~~
2 ~~Act." Each commission shall be subject to the provisions of the~~
3 ~~act of April 9, 1929 (P.L.177, No.175), known as "The~~
4 ~~Administrative Code of 1929," as to classification and~~
5 ~~compensation for all its employees.~~

6 ~~(e) It shall be the duty of the executive secretary to keep~~
7 ~~a full and faithful record of the proceedings of the~~
8 ~~commissions, preserve at the general office of the commissions~~
9 ~~all books, maps, documents and papers entrusted to the executive~~
10 ~~secretary's care, prepare for service the papers and notices as~~
11 ~~may be required by the commissions and perform other duties as~~
12 ~~the commissions may prescribe. It shall be the duty of the~~
13 ~~executive secretary to keep, at the offices of the commissions,~~
14 ~~a docket setting forth the names of all stockholders in all~~
15 ~~corporations licensed under this act, the number of shares held~~
16 ~~by each stockholder and the date on which each shareholder~~
17 ~~acquired stock in the licensed corporation. The docket shall be~~
18 ~~open for public inspection. It shall be the duty of the~~
19 ~~executive secretary to appear before the Appropriations~~
20 ~~Committees of the Senate and the House of Representatives for~~
21 ~~budgetary review and recommendations.~~

22 ~~(f) The commissions or designated officers, employees or~~
23 ~~agents of the commissions shall have the power to administer~~
24 ~~oaths and examine witnesses and may issue subpoenas to compel~~
25 ~~attendance of witnesses and production of all relevant and~~
26 ~~material reports, books, papers, documents, correspondence and~~
27 ~~other evidence. The commissions shall, annually, make a full~~
28 ~~report to the Secretary of Agriculture of their proceedings for~~
29 ~~the preceding calendar year and suggestions and recommendations~~
30 ~~as they see fit. The commissions shall exercise their powers and~~

1 ~~duties in accordance with the provisions of "The Administrative~~
2 ~~Code of 1929."~~

3 ~~(g) The terms and termination dates of the terms of the~~
4 ~~three commissioners who constitute the State Horse Racing~~
5 ~~Commission under the act of December 11, 1967 (P.L.707, No.331),~~
6 ~~referred to as the Pennsylvania Thoroughbred Horse Racing Law,~~
7 ~~shall continue under this act. Any commissioner whose term has~~
8 ~~already expired on the effective date of this act and who has~~
9 ~~not been replaced by a new member or has not been confirmed for~~
10 ~~another term, shall continue in his or her present status until~~
11 ~~replaced by a new member or confirmed for another term.~~

12 ~~(h) The terms and termination dates of the terms of the~~
13 ~~three commissioners who constitute the State Harness Racing~~
14 ~~Commission under the act of December 22, 1959 (P.L.1978,~~
15 ~~No.728), referred to as the Pennsylvania Harness Racing Law,~~
16 ~~shall continue under this act. Any commissioner whose term has~~
17 ~~already expired on the effective date of this section and who~~
18 ~~has not been replaced by a new member or has not been confirmed~~
19 ~~for another term, shall continue in his or her present status~~
20 ~~until replaced by a new member or confirmed for another term.~~

21 ~~(i) All rules and regulations promulgated under the~~
22 ~~provisions of the Pennsylvania Thoroughbred Horse Racing Law and~~
23 ~~the Pennsylvania Harness Racing Law shall remain in effect~~
24 ~~except to the extent that they are in direct conflict with the~~
25 ~~provisions of this act. The commissions may amend, revise or~~
26 ~~alter these rules and regulations as they deem necessary.~~

27 ~~(j) All licenses issued under the provisions of section 11~~
28 ~~of the Pennsylvania Thoroughbred Horse Racing Law and under the~~
29 ~~provisions of section 9 of the Pennsylvania Harness Racing Law,~~
30 ~~shall remain in effect for the remainder of the term for which~~

1 ~~these licenses were issued. After these licenses have expired,~~
2 ~~all renewals or new licenses shall be issued under the~~
3 ~~provisions of this act.~~

4 ~~(k) All licenses issued to corporations under the provisions~~
5 ~~of section 7 of the Pennsylvania Thoroughbred Horse Racing Law~~
6 ~~and under the provisions of section 7 of the Pennsylvania~~
7 ~~Harness Racing Law, shall continue with the same force and~~
8 ~~effect and shall be governed by the provisions of section 209.~~
9 ~~Section 202. General powers of the commissions.~~

10 ~~(a) The State Horse Racing Commission shall have the power~~
11 ~~to supervise all thoroughbred horse race meetings at which pari~~
12 ~~mutuel wagering is conducted. The State Harness Racing~~
13 ~~Commission shall have the power to supervise all harness horse~~
14 ~~racing meetings at which pari mutuel wagering is conducted. The~~
15 ~~commissions may adopt rules and regulations to effect the~~
16 ~~purposes and provisions of this act.~~

17 ~~(b) Without limiting the generality of the foregoing and in~~
18 ~~addition to its other powers:~~

19 ~~(1) Each commission shall have power to fix a minimum~~
20 ~~charge for admission to horse race meetings at which pari~~
21 ~~mutuel wagering is conducted, but the minimum charge shall~~
22 ~~not be less than 50¢ for general admission, exclusive of~~
23 ~~taxes. The commissions shall have power to fix the charge for~~
24 ~~admission of soldiers, sailors and marines, in uniform, at~~
25 ~~one half of the amount fixed for general admission, whether~~
26 ~~or not the one half of the amount fixed is less than the~~
27 ~~minimum prescribed therein.~~

28 ~~(2) Each commission shall at all times have in effect~~
29 ~~rules and regulations as required under Chapter 3 regarding~~
30 ~~medication rules and enforcement provisions.~~

1 ~~(3) The rules of the commissions shall also provide that~~
2 ~~all winning pari mutuel tickets must be presented for payment~~
3 ~~before April 1 of the year following the year of their~~
4 ~~purchase and failure to present the ticket within the~~
5 ~~prescribed period of time shall constitute a waiver of the~~
6 ~~right to participate in the award. After April 1 of the year~~
7 ~~following, all licensed corporations will forward to the~~
8 ~~State Treasurer through the Department of Revenue for credit~~
9 ~~to the State Racing Fund all funds so held for the uncashed~~
10 ~~tickets. Where it is shown to the satisfaction of the~~
11 ~~appropriate commission and the Department of Revenue, through~~
12 ~~substantiated and recorded data, that the reason for the~~
13 ~~pari mutuel ticket or tickets being outstanding and unclaimed~~
14 ~~is loss, misplacement or theft within the confines and~~
15 ~~control of the pari mutuel department of any licensed~~
16 ~~corporation and it is shown to the satisfaction of the~~
17 ~~appropriate commission and the Department of Revenue that the~~
18 ~~pari mutuel ticket or tickets in question have been cashed by~~
19 ~~the pari mutuel department, the Department of Revenue, with~~
20 ~~the approval of the appropriate commission, may adjust and~~
21 ~~credit the licensed corporation's outstanding ticket account~~
22 ~~accordingly on March 31 of the year following the year of~~
23 ~~purchase or after a complete audit of the outstanding tickets~~
24 ~~accounts have been performed. The licensed corporation shall~~
25 ~~reimburse any employee who has been held personally~~
26 ~~accountable and paid for the lost, misplaced or stolen~~
27 ~~tickets.~~

28 ~~(4) The commissions may adopt a general promotion~~
29 ~~program to assist the licensed corporations in increasing~~
30 ~~their attendance and average daily handle. Any expenditures~~

1 ~~for a promotional program shall be authorized and approved in~~
2 ~~the same manner as other operational costs of the~~
3 ~~commissions.~~

4 ~~(5) In the event that a state bordering Pennsylvania~~
5 ~~enacts a wagering tax scheme that may place Pennsylvania~~
6 ~~horse race meetings at a competitive disadvantage in the~~
7 ~~purses that can be offered for horse races, a licensed~~
8 ~~corporation may petition the appropriate commission for an~~
9 ~~emergency financial grant to augment its purse structure. If~~
10 ~~the appropriate commission finds that the effect of the~~
11 ~~enacted wagering tax scheme of a bordering state is to place~~
12 ~~Pennsylvania horse race meetings at a competitive~~
13 ~~disadvantage in purse structure, the appropriate commission~~
14 ~~shall make an emergency financial grant to the petitioning~~
15 ~~licensed corporation for augmentation to its purse structure~~
16 ~~out of moneys that the commission has budgeted for this~~
17 ~~purpose; provided, however, that the Secretary of Agriculture~~
18 ~~and the Secretary of the Office of Budget and Administration~~
19 ~~have also agreed to the grant.~~

20 ~~(c) The State Harness Racing Commission shall have~~
21 ~~jurisdiction over and shall promulgate regulations as necessary~~
22 ~~for the proper administration of all racing conducted by a~~
23 ~~county agricultural society or an independent agricultural~~
24 ~~society, as provided for under section 5(1)(iii) and (iv) of the~~
25 ~~act of July 8, 1986 (P.L.437, No.92), known as the "Pennsylvania~~
26 ~~Agricultural Fair Act."~~
27 ~~Section 203.~~

28 ~~(c) No corporation shall have the right to conduct any horse~~
29 ~~race meet except on obtaining a license from the appropriate~~
30 ~~commission and at the location or locations designated in its~~

1 ~~license or any amendment thereto or as approved at any time by~~
2 ~~the commission as the place or places at which it was proposed~~
3 ~~to conduct its business. This restriction shall not apply to any~~
4 ~~corporation whose racing plant or usefulness, in the discretion~~
5 ~~of the appropriate commissions, shall, for any reason beyond the~~
6 ~~control of the corporation, be totally destroyed or so~~
7 ~~substantially interfered with as to render same unfit for~~
8 ~~continued operation. Pending the rebuilding or restoration of~~
9 ~~its usefulness, or the making of the required repairs to the~~
10 ~~plant or the part destroyed or damaged, the commissions may~~
11 ~~license such corporation to conduct its horse race meetings at~~
12 ~~any other suitable location.~~

13 ~~Section 204. Filing of information concerning stock transfers;~~
14 ~~necessity for commissions' approval.~~

15 ~~(a) Whenever a transfer of stock comprising an interest of~~
16 ~~5% or more in any licensed corporation, or comprising an~~
17 ~~interest of 5% or more in any corporation which leases to a~~
18 ~~licensed corporation the track facility at which it conducts~~
19 ~~pari mutuel horse races or comprising an interest of 5% or more~~
20 ~~in any corporation which owns 25% or more of the stock of the~~
21 ~~licensed corporation shall be made, there shall be filed,~~
22 ~~simultaneously, with the corporation which issued such stock the~~
23 ~~following:~~

24 ~~(1) In duplicate, an affidavit executed by the~~
25 ~~transferee of the interest stating that he is to be the sole~~
26 ~~beneficial owner thereof, and whether or not he:~~

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

29 ~~(ii) has been engaged in bookmaking or other forms~~
30 ~~of illegal gambling;~~

1 ~~(iii) has been found guilty of any fraud or~~
2 ~~misrepresentation in connection with racing or breeding;~~

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

7 ~~(v) has violated any rule, regulation or order of~~
8 ~~the commissions.~~

9 ~~If the transferee of the interest is not, or is not to be,~~
10 ~~the sole beneficial owner, there shall be annexed to the~~
11 ~~affidavit of the transferee, and expressly stated in such~~
12 ~~affidavit, a true and complete copy of all terms of the~~
13 ~~agreement pursuant to which the interest in the corporation~~
14 ~~is to be held by the transferee, including a detailed~~
15 ~~statement of the interest of each person who is to have any~~
16 ~~interest therein.~~

17 ~~(2) In duplicate, an affidavit executed by each person~~
18 ~~for whom the interest is to be held by the transferee,~~
19 ~~setting forth whether or not the affiant:~~

20 ~~(i) has been convicted of a crime involving moral~~
21 ~~turpitude;~~

22 ~~(ii) has engaged in bookmaking or other forms of~~
23 ~~illegal gambling;~~

24 ~~(iii) has been found guilty of any fraud or~~
25 ~~misrepresentation in connection with racing or breeding;~~

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

30 ~~(v) has violated any rule, regulation or order of~~

1 ~~the commissions.~~

2 ~~To each of the affidavits shall be annexed, and expressly~~
3 ~~stated in such affidavit, a true and complete copy of all the~~
4 ~~terms of the agreement pursuant to which the interest is to~~
5 ~~be held by the transferee, including a detailed statement of~~
6 ~~the interest of each person who is to have any interest~~
7 ~~therein. The corporation shall file with the appropriate~~
8 ~~commission one of each duplicate affidavits.~~

9 ~~(b) If, after the filing of any affidavit required to be~~
10 ~~filed, there shall be any change in the status of any affiant~~
11 ~~with respect to any of the matters set forth in subsection (a)~~
12 ~~(1) of the affidavit filed, the affiant shall file with the~~
13 ~~corporation with which his affidavit was so filed a new~~
14 ~~affidavit, executed by him in duplicate, setting forth the~~
15 ~~change of status and the corporation shall file one of these~~
16 ~~affidavits with the appropriate commission.~~

17 ~~(c) Whenever any change shall be made in the amount, nature~~
18 ~~or of the interest of any person having an interest of 5% or~~
19 ~~more in any corporation, or any new interest of 5% or more shall~~
20 ~~be created therein, without a transfer as provided, the record-~~
21 ~~owner of the stock, and each person whose interest has been~~
22 ~~attempted to be changed or created, shall file with the~~
23 ~~corporation which issued the stock, in duplicate, affidavits as~~
24 ~~provided by subsection (a) (1) and (2), except that these~~
25 ~~affidavits need not include the matter referred to in subsection~~
26 ~~(a) unless then required pursuant to subsection (b) and one copy~~
27 ~~thereof shall be filed by the corporation with the appropriate~~
28 ~~commission.~~

29 ~~(d) If the appropriate commission determines that it is~~
30 ~~inconsistent with the public interest, convenience, or~~

1 ~~necessity, or with the best interest of racing generally, that~~
2 ~~any person continue to be a stockholder of record, or the~~
3 ~~beneficial owner of any interest in stock standing in the name~~
4 ~~of another in any licensed corporation or of any corporation~~
5 ~~which leases to such licensed corporation the track at which it~~
6 ~~conducts pari mutuel horse racing or which owned 25% or more of~~
7 ~~the stock of the licensee, the appropriate commission shall have~~
8 ~~full power and authority to order each stockholder or beneficial~~
9 ~~owner to dispose of his stock or interest within a period of~~
10 ~~time to be specified by the appropriate commission, which period~~
11 ~~the appropriate commission shall have full power to extend.~~

12 ~~(e) If the commissions shall make any order or direction as~~
13 ~~provided in subsection (d), the person aggrieved shall be given~~
14 ~~notice of the time and place of a hearing before the appropriate~~
15 ~~commission, at which time the appropriate commission will hear~~
16 ~~the person in reference thereto.~~

17 ~~Section 205. Number of horse racing corporations.~~

18 ~~(a) No more than six corporations shall be licensed by the~~
19 ~~State Horse Racing Commission to conduct a pari mutuel meet or~~
20 ~~meets. No corporation licensed under this act to conduct harness~~
21 ~~racing with pari mutuel wagering or under the act of December~~
22 ~~22, 1959 (P.L.1978, No.728), referred to as the Pennsylvania~~
23 ~~Harness Racing Law, shall be licensed to conduct thoroughbred~~
24 ~~horse racing with pari mutuel wagering.~~

25 ~~(b) No more than five corporations shall be licensed by the~~
26 ~~State Harness Racing Commission to conduct a pari mutuel meet or~~
27 ~~meets. No corporation licensed under this act to conduct~~
28 ~~thoroughbred horse racing with pari mutuel wagering or under the~~
29 ~~act of December 11, 1967 (P.L.707, No.331), referred to as the~~
30 ~~Pennsylvania Thoroughbred Horse Racing Law, shall be licensed to~~

1 ~~conduct harness horse racing with pari mutuel wagering.~~

2 ~~Section 206. Responsibilities of the Department of Revenue.~~

3 ~~The Department of Revenue is charged with the financial-~~
4 ~~administration of pari mutuel wagering under this act, as-~~
5 ~~supplemented by the rules and regulations of the commissions.~~

6 ~~The Department of Revenue shall have authority to prescribe the-~~
7 ~~forms and the system of accounting to be employed, and through-~~
8 ~~its representatives shall, at all times, have power of access-~~
9 ~~to, and examination of, any equipment relating to such wagering.~~

10 ~~Section 207. Allocation of racing days.~~

11 ~~(a) Up to 125 but no less than 25 racing days shall be-~~
12 ~~allocated to each licensed corporation conducting thoroughbred-~~
13 ~~horse race meetings in any calendar year; except, that upon-~~
14 ~~request, the State Horse Racing Commission may grant up to an-~~
15 ~~additional 25 racing days over the 125 days to a licensed-~~
16 ~~corporation in each calendar year, if racing meet schedules can-~~
17 ~~accommodate these extra days. Whenever two or more corporations-~~
18 ~~licensed to conduct racing at the same facility apply to the-~~
19 ~~State Horse Racing Commission for an allocation of racing days-~~
20 ~~at the same facility, the commission shall allocate the racing-~~
21 ~~days in the following manner:~~

22 ~~(1) If there is an agreement between the licensed-~~
23 ~~corporations as to the allocation of racing days then as-~~
24 ~~provided for therein.~~

25 ~~(2) If there is no agreement between the licensed-~~
26 ~~corporations as to the allocation of racing days, then-~~
27 ~~equally between them.~~

28 ~~(b) No more than 125 racing days shall be allocated to each-~~
29 ~~licensed corporation conducting harness horse race meetings in-~~
30 ~~any calendar year. Every corporation shall hold its license-~~

1 ~~under the provisions of section 209. The State Harness Racing~~
2 ~~Commission shall allocate the racing days in accordance with the~~
3 ~~following guidelines:~~

4 ~~(1) A licensed corporation that has an ownership~~
5 ~~interest in the facility at which the racing days are to be~~
6 ~~conducted shall be granted up to 125 racing days in any~~
7 ~~calendar year upon request to the State Harness Racing~~
8 ~~Commission. The State Harness Racing Commission shall grant~~
9 ~~all racing days requested by licensed corporations described~~
10 ~~in this paragraph before any other racing days are granted to~~
11 ~~any other licensed corporation that desires to conduct a meet~~
12 ~~at the same facility owned in part or in whole by a licensed~~
13 ~~corporation that also desires to conduct a meet there.~~

14 ~~(2) Whenever one or more licensed corporations that have~~
15 ~~an ownership interest in the facility at which the racing~~
16 ~~days are to be conducted apply to the State Harness Racing~~
17 ~~Commission for an allocation of racing days, the State~~
18 ~~Harness Racing Commission shall allocate an equal number of~~
19 ~~racing days to each licensed corporation or to each licensed~~
20 ~~corporation based upon an agreement between the licensed~~
21 ~~corporations as to the allocation of racing days.~~

22 ~~(3) Upon request the State Harness Racing Commission may~~
23 ~~grant up to an additional 25 racing days over the 125 racing~~
24 ~~days to a licensed corporation in each calendar year, and the~~
25 ~~commission may grant up to 50 additional days of racing if~~
26 ~~that corporation is the only corporation operating at the~~
27 ~~facility, if racing meet schedules can accommodate these~~
28 ~~extra racing days.~~

29 ~~(4) For purposes of this section, an ownership interest~~
30 ~~shall mean that a licensed corporation directly or through a~~

1 ~~parent or subsidiary has at least 35% equity interest in the~~
2 ~~track facility at which it conducts harness horse race~~
3 ~~meetings or is the primary tenant at such facility. For~~
4 ~~purposes of this subsection, a primary tenant shall be that~~
5 ~~licensed corporation, if any, which is a tenant conducting~~
6 ~~horse race meetings at a track facility at which no licensed~~
7 ~~corporation conducting horse race meetings has directly or~~
8 ~~through a parent or subsidiary at least a 35% equity interest~~
9 ~~in such facility, and if there is more than one such tenant~~
10 ~~at any such facility during the year prior to the year for~~
11 ~~which dates are requested, then among or between such tenants~~
12 ~~the primary tenant, if any, shall be designated by agreement~~
13 ~~among or between those licensed corporations which propose to~~
14 ~~conduct horse race meetings at the said track facility during~~
15 ~~the year for which dates are requested.~~

16 ~~(c) The commissions shall certify to the Secretary of the~~
17 ~~Department of Revenue within 20 days after the allocation of~~
18 ~~racing days to licensed corporations the following information:~~

19 ~~(1) the names and addresses of the corporations;~~

20 ~~(2) the names and addresses of the presidents and~~
21 ~~general managers of the corporations;~~

22 ~~(3) the names and locations of the facilities where the~~
23 ~~racing days are to be conducted;~~

24 ~~(4) the number of racing days allocated to each~~
25 ~~corporation; and~~

26 ~~(5) a numbered list of each racing day assigned to each~~
27 ~~calendar day of the year for the purposes of taxation.~~

28 ~~(d) If a racing day is cancelled by a licensed corporation~~
29 ~~for reasons beyond its control, the appropriate commission shall~~
30 ~~grant the licensed corporation the right to conduct that racing~~

~~1 day in the same or the next ensuing calendar year, if schedules
2 permit. The racing day for purposes of taxation under section
3 222 shall be at the lowest tax rate at which the licensed
4 corporation conducted a racing day during that year.~~

~~5 Section 208. State admissions taxes.~~

~~6 (a) Every corporation holding a thoroughbred horse race
7 meeting under this act shall collect, in addition to the
8 admission price of tickets sold or otherwise disposed of, for
9 each meeting held by the corporation, a tax equivalent to 15% of
10 the admission price, or 15¢ whichever is greater. In case of
11 failure to collect the tax, the tax shall be imposed upon the
12 corporation holding the race meeting. The tax shall be paid to
13 the Department of Revenue within ten days of collection. The
14 amounts collected shall be paid into the State Treasury to the
15 credit of the State Racing Fund. Before any corporation liable
16 to pay the tax shall hold any race meeting, or exercise any of
17 the powers conferred by this act, the corporation shall pay all
18 taxes due, and shall file a statement with the Department of
19 Revenue containing the name of the place and stating the time
20 when the races are to be held. Nothing in this section shall
21 apply to a race meeting conducted by any state, county or other
22 agricultural association. Retroactive to September 1, 1981 and
23 thereafter, the admission tax shall be decreased to a tax
24 equivalent to 10% of the admission price. Then on September 1,
25 1982 and thereafter, the admission tax shall be decreased to a
26 tax equivalent to 5% of the admission price.~~

~~27 (b) Every corporation holding a harness horse race meeting
28 shall collect, in addition to the admission price of tickets
29 sold or otherwise disposed of, for each such meeting held by the
30 corporation, a tax equivalent to 5% of the admission price. In~~

~~1 case of failure to collect the tax, the tax shall be imposed
2 upon the corporation holding the race meeting. The tax shall be
3 paid to the Department of Revenue within ten days after the
4 close of each race meeting. The amounts collected shall be paid
5 into the State Treasury to the credit of the State Racing Fund.
6 Before any corporation liable to pay the tax shall hold any race
7 meeting, or exercise any of the powers conferred by this act,
8 the corporation shall pay all taxes due and file a statement
9 with the Department of Revenue containing the name of the place
10 and stating the time when the races are to be held. Nothing in
11 this section shall apply to a race meeting conducted by any
12 state, county or other agricultural association.~~

~~13 (c) The Department of Revenue shall have the power to
14 examine the books and records of the corporation conducting any
15 horse race meeting and may hear testimony and take proofs and
16 material for its information, or from any other data which shall
17 be satisfactory to it. The Department of Revenue may order and
18 state an account for the tax due the State, together with the
19 expense of such examination. A penalty of 5% and interest at the
20 rate of 1% per month from the due date to the date of payment of
21 the tax shall be payable in case any tax imposed by this section
22 is not paid when due.~~

~~23 Section 209. Licenses for horse race meetings.~~

~~24 (a) Any corporation desiring to conduct horse race meetings
25 at which pari mutuel wagering shall be permitted may apply to
26 the appropriate commission for a license. The license gives its
27 holder the privilege to conduct horse race meetings at which
28 pari mutuel wagering is permitted. The license does not give its
29 holder a property right. If, in the judgment of the appropriate
30 commission, the public interest, convenience or necessity will~~

1 ~~be served and a proper case for the issuance of the license is~~
2 ~~shown, the appropriate commission may issue the license. The~~
3 ~~license shall remain in effect so long as the licensed~~
4 ~~corporation complies with all conditions, rules and regulations~~
5 ~~and provisions of this act. A commission may revoke or suspend~~
6 ~~the license of any corporation, if the commission finds by a~~
7 ~~preponderance of the evidence that the corporation, its~~
8 ~~officers, employees or agents, has not complied with the~~
9 ~~conditions, rules, regulations and provisions of this act and~~
10 ~~that it would be in the public interest, convenience or~~
11 ~~necessity to revoke or suspend the license. A license is not~~
12 ~~transferable.~~

13 ~~(b) Every license shall be issued upon the following~~
14 ~~conditions:~~

15 ~~(1) A horse race meeting at which pari mutuel wagering~~
16 ~~is conducted is subject to the supervision of and to the~~
17 ~~reasonable rules and regulations prescribed by the~~
18 ~~appropriate commission.~~

19 ~~(2) Pari mutuel wagering conducted is also subject to~~
20 ~~the supervision of and to the reasonable regulations~~
21 ~~prescribed by the Department of Revenue. Any license may also~~
22 ~~be issued upon any other condition that the appropriate~~
23 ~~commission determines to be necessary or desirable to insure~~
24 ~~that the public interest, convenience or necessity is served.~~

25 ~~(3) The corporation can prove by a preponderance of the~~
26 ~~evidence that it has obtained the use of a facility to~~
27 ~~conduct horse race meetings. The proof may be demonstrated by~~
28 ~~documentation of an ownership interest in the facility or by~~
29 ~~a written lease for use of the facility. For purposes of this~~
30 ~~paragraph, an ownership interest shall mean that a licensed~~

1 ~~corporation directly or through a parent or subsidiary has at~~
2 ~~least a 35% equity interest in the track facility at which it~~
3 ~~conducts horse race meetings or is the primary tenant at such~~
4 ~~facility. For purposes of this paragraph, a primary tenant~~
5 ~~shall be that licensed corporation, if any, which is a tenant~~
6 ~~conducting horse racing meetings at a track facility at which~~
7 ~~no licensed corporation conducting horse race meetings has~~
8 ~~directly or through a parent or subsidiary at least a 35%~~
9 ~~equity interest in such facility, and if there is more than~~
10 ~~one such tenant at any such facility during the year prior to~~
11 ~~the year for which dates are requested, then among or between~~
12 ~~such tenants the primary tenant, if any, shall be designated~~
13 ~~by agreement among or between those licensed corporations~~
14 ~~which propose to conduct horse race meetings at the said~~
15 ~~track facility during the year for which dates are requested.~~

16 ~~(4) The corporation posts, in favor of the appropriate~~
17 ~~commission, a bond or irrevocable letter of credit in an~~
18 ~~amount equal to the sum of the corporation's average weekly~~
19 ~~payment, during active racing, into the State Racing Fund, as~~
20 ~~determined by the appropriate commission on the basis of the~~
21 ~~immediately preceding year, during the year for which dates~~
22 ~~are requested.~~

23 ~~(5) The licensed corporation prints in its racing~~
24 ~~programs the procedure for filing a complaint with the~~
25 ~~appropriate commission.~~

26 ~~(c) Applications for licenses shall be in the form~~
27 ~~prescribed by the appropriate commission and shall contain~~
28 ~~information, material or evidence as the appropriate commission~~
29 ~~may require. The term "racing week" shall include Sunday at the~~
30 ~~discretion of the licensed corporation.~~

1 ~~(d) In considering an application for a license to a~~
2 ~~corporation, the commissions may give consideration to the~~
3 ~~number of licenses already granted. No license shall be granted~~
4 ~~to any track located within ten miles of a State, county or~~
5 ~~other political subdivision fair conducting horse racing unless~~
6 ~~the association, corporation, society, political subdivision or~~
7 ~~State agency conducting the fair shall affirmatively waive~~
8 ~~objection to the issuance of the license for dates within the~~
9 ~~period.~~

10 ~~(e) The commissions may refuse to grant, may revoke, or may~~
11 ~~suspend a license to a corporation, if it shall determine that:~~

12 ~~(1) Any officer, director, member or stockholder of the~~
13 ~~corporation applying for a license or of any corporation~~
14 ~~which owns stock in or shares in the profits, or participates~~
15 ~~in the management of the affairs of the applicant, or which~~
16 ~~leases to the applicant the track where it shall operate:~~

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

19 ~~(ii) has engaged in bookmaking or other forms of~~
20 ~~illegal gambling;~~

21 ~~(iii) has been found guilty of any fraud or~~
22 ~~misrepresentation in connection with racing or breeding;~~

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

27 ~~(v) has violated any rule, regulation or order of~~
28 ~~the commissions.~~

29 ~~(2) The experience, character or fitness of any officer,~~
30 ~~director or stockholder of any of the corporations is such~~

1 ~~that the participation of the person in horse racing or~~
2 ~~related activities would be inconsistent with the public~~
3 ~~interest, convenience or necessity or with the best interests~~
4 ~~of racing. If the commission determines that the interest of~~
5 ~~any stockholder referred to in this paragraph or in paragraph~~
6 ~~(1) is insufficient to affect adversely the conduct of pari~~
7 ~~mutuel horse racing by the corporation in accordance with the~~
8 ~~provisions of this act, the commissions may disregard the~~
9 ~~interest in determining whether or not to grant a license to~~
10 ~~the corporation.~~

11 ~~(3) The applicant is not the owner or the lessee of the~~
12 ~~track at which it will conduct pari mutuel horse racing under~~
13 ~~the license applied for, or that any person, firm,~~
14 ~~association or corporation other than the applicant shares,~~
15 ~~or will share, in the profits of the applicant, other than by~~
16 ~~dividends as a stockholder, or participates, or will~~
17 ~~participate in the management of the affairs of the~~
18 ~~applicant.~~

19 ~~(4) The corporation does not have the use of a facility~~
20 ~~to conduct horse race meetings. Such use must be proved by a~~
21 ~~preponderance of the evidence. The proof may be demonstrated~~
22 ~~by documentation of an ownership interest in the facility or~~
23 ~~by a written lease for use of the facility.~~

24 ~~(5) A licensed corporation does not have proof of a~~
25 ~~written lease of a facility to conduct horse race meetings.~~
26 ~~Under this paragraph, the appropriate commission may suspend~~
27 ~~a license for a period of two years. After the expiration of~~
28 ~~the suspension, the appropriate commission may then revoke~~
29 ~~the license, if the licensed corporation has failed to~~
30 ~~contract for a facility at which to conduct horse race~~

1 meetings.

2 ~~(6) A licensed corporation has commingled horsemen's~~
3 ~~funds in violation of section 235(c) or has refused to place~~
4 ~~on deposit a letter of credit under section 236.~~

5 ~~(f) The commissions shall also have power to refuse to~~
6 ~~grant, revoke or suspend a license:~~

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

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

21 ~~(g) Pending final determination of any question under this~~
22 ~~section, the commissions may issue a temporary license upon such~~
23 ~~terms and conditions as they see fit to effectuate the~~
24 ~~provisions of this act.~~

25 ~~(h) The commissions shall have power to direct that every~~
26 ~~certificate of stock of a licensed corporation shall bear a~~
27 ~~legend, plainly and prominently imprinted upon the face of the~~
28 ~~certificate, reading: "This certificate of stock is transferable~~
29 ~~only subject to the provisions of the 'Race Horse Industry~~
30 ~~Reform Act'." The provisions of this subsection shall not apply~~

1 ~~to stock heretofore issued by a licensed corporation under the~~
2 ~~provisions of the act of December 11, 1967 (P.L.707, No.331), as~~
3 ~~amended, and referred to as the Pennsylvania Thoroughbred Horse~~
4 ~~Racing Law or of the act of December 22, 1959 (P.L.1978,~~
5 ~~No.728), as amended, and referred to as the Pennsylvania Harness~~
6 ~~Racing Law.~~

7 ~~Section 210. Shareholders.~~

8 ~~(a) Each licensed corporation shall, once a year, provide~~
9 ~~the appropriate commission with a complete list of all its~~
10 ~~shareholders, indicating the number of shares by each~~
11 ~~shareholder.~~

12 ~~(b) It shall be the duty of each licensed corporation within~~
13 ~~ten days after any transfer of stock comprising an interest of~~
14 ~~5% or more in such licensee, to notify the appropriate~~
15 ~~commission of the transfer.~~

16 ~~(c) Each certificate of stock issued by a licensed~~
17 ~~corporation to a shareholder having a 5% or greater interest~~
18 ~~shall have noted on the face thereof that the person whose name~~
19 ~~is indicated as the owner of such shares of stock by the~~
20 ~~certificate is the sole and absolute owner, and that he is not~~
21 ~~holding such shares of stock or any portion of such shares of~~
22 ~~stock represented by the certificate in trust for any person,~~
23 ~~partnership, firm or corporation who or which is prohibited from~~
24 ~~owning such shares of stock. If any of such shares of stock~~
25 ~~represented by a certificate of stock are held subject to the~~
26 ~~terms of either an inter vivos or testamentary trust for the~~
27 ~~benefit of any person who could lawfully own such stock in his~~
28 ~~own name, the fact shall be noted on the face of the certificate~~
29 ~~and a copy of the instrument which created the trust shall be~~
30 ~~attached. A duplicate copy of the instrument which created the~~

1 ~~trust shall be filed with the appropriate commission.~~

2 ~~(d) No property rights shall exist in any shares of stock of~~
3 ~~any licensed corporation which are held in trust contrary to the~~
4 ~~provisions of this section and the same shall be forfeited to~~
5 ~~the Commonwealth after reasonable notice and upon hearing and~~
6 ~~proof thereof in any suit instituted by the Attorney General of~~
7 ~~Pennsylvania. Upon it being established that the stock is~~
8 ~~subject to forfeiture by legal adjudication, the appropriate~~
9 ~~commission shall sell the forfeited stock at public sale, upon~~
10 ~~proper notice, to the highest bidder. The proceeds from the sale~~
11 ~~shall be deposited in the General Fund of the Commonwealth of~~
12 ~~Pennsylvania.~~

13 ~~(e) As used in this section, the term "licensed corporation"~~
14 ~~shall include any licensed corporation as defined in section 102~~
15 ~~and also any firm, association or corporation which owns or~~
16 ~~leases to any licensed association or corporation a race track~~
17 ~~at which pari mutuel racing is conducted, or any firm,~~
18 ~~association or corporation which participates in the management~~
19 ~~of any such licensed corporation.~~

20 ~~Section 211. Prohibition of interest by public officers, public~~
21 ~~employees and party officers in pari mutuel racing~~
22 ~~activities.~~

23 ~~(a) No public officer, public employee or party officer~~
24 ~~shall:~~

25 ~~(1) hold any license to conduct a pari mutuel meet from~~
26 ~~the commissions;~~

27 ~~(2) own or hold, directly or indirectly, any proprietary~~
28 ~~interest, stock or obligation of any firm, association or~~
29 ~~corporation:~~

30 ~~(i) which is licensed by the commissions to conduct~~

1 ~~pari-mutuel racing;~~

2 ~~(ii) which is licensed to conduct its occupation,~~
3 ~~trade or business at race tracks at which pari-mutuel~~
4 ~~race meets are conducted;~~

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

8 ~~(iv) which participates in the management of any~~
9 ~~licensed corporation conducting pari-mutuel racing; and~~

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

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

16 ~~The provisions of paragraph (3) shall not apply to a public-~~
17 ~~employee other than a police officer or paid employee of a~~
18 ~~police department, sheriff's office, district attorney's office-~~
19 ~~or other law enforcement agency so long as such employment of-~~
20 ~~employees of a political subdivision may be prohibited by-~~
21 ~~ordinance, resolution or local law.~~

22 ~~(b) A knowing and willful violation of this section shall be~~
23 ~~cause for removal from public office, public employment or party~~
24 ~~office. In any such case, the public officer, public employee or~~
25 ~~party officer, violating this section, shall be removed from~~
26 ~~office by appropriate authority having the power of removal.~~

27 ~~(c) The following words and phrases when used in this act-~~
28 ~~shall have, unless the context clearly indicates otherwise, the~~
29 ~~meanings given to them in this section:~~

30 ~~"Party officer." The following members or officers of any~~

1 ~~political party:~~

2 ~~(1) a member of a national committee;~~

3 ~~(2) a chairman, vice chairman, secretary, treasurer or~~
4 ~~counsel of a State committee or member of the executive~~
5 ~~committee of a State committee;~~

6 ~~(3) a county chairman, vice chairman, counsel, secretary~~
7 ~~or treasurer of a county committee; or~~

8 ~~(4) a city chairman, vice chairman, counsel, secretary~~
9 ~~or treasurer of a city committee.~~

10 ~~"Public employee." Every person employed by the Commonwealth~~
11 ~~or any political subdivision thereof.~~

12 ~~"Public officer." Every person elected to any public office~~
13 ~~of the Commonwealth or any political subdivision thereof.~~

14 ~~(d) The commissions shall have the power to refuse to grant~~
15 ~~or to revoke or suspend a license of any firm, association or~~
16 ~~corporation which aids or knowingly permits or conspires to~~
17 ~~permit any public officer, public employee or party officer to~~
18 ~~acquire or retain any interest prohibited by this section.~~

19 ~~(e) The provisions of this section shall allow any person~~
20 ~~other than members, employees or appointees of the commissions~~
21 ~~to own and to be licensed to race a horse at any licensed race~~
22 ~~track.~~

23 ~~Section 212. Officials at horse race meetings.~~

24 ~~(a) At all thoroughbred horse race meetings licensed by the~~
25 ~~State Horse Racing Commission, qualified judges and starters~~
26 ~~shall be approved by the commission. These officials shall~~
27 ~~enforce the rules and regulations of the State Horse Racing~~
28 ~~Commission and shall render written reports of the activities~~
29 ~~and conduct of such race meetings to the State Horse Racing~~
30 ~~Commission. The compensation of these judges and starters shall~~

1 ~~be paid by the corporation conducting the race meeting.~~

2 ~~(b) At all harness race meetings licensed by the State~~
3 ~~Harness Racing Commission, qualified judges and starters shall~~
4 ~~be approved by the commission. No person shall be approved as a~~
5 ~~judge or starter unless he is licensed by the United States~~
6 ~~Trotting Association as a duly qualified pari mutuel race~~
7 ~~meeting official. The officials shall enforce the rules and~~
8 ~~regulations of the State Harness Racing Commission and shall~~
9 ~~render regular written reports of the activities and conduct of~~
10 ~~the race meetings to the State Harness Racing Commission. The~~
11 ~~compensation of the presiding judge and two associate judges at~~
12 ~~each race track shall be fixed and paid by the State Harness~~
13 ~~Racing Commission. The commission shall adopt a selection~~
14 ~~process to approve the appointment of these officials. The~~
15 ~~licensed corporations shall participate in this selection~~
16 ~~process for approval of these officials.~~

17 ~~Section 213. Licenses for commissioners, employees and~~
18 ~~participants at horse race meetings.~~

19 ~~(a) Each commission shall license trainers, jockeys,~~
20 ~~drivers, persons participating in thoroughbred and harness horse~~
21 ~~race meetings, horse owners and all other persons and vendors~~
22 ~~exercising their occupation or employed at thoroughbred and~~
23 ~~harness horse race meetings. The license gives its holder a~~
24 ~~privilege to engage in the specified activity, but the license~~
25 ~~does not give its holder a property right. Licenses are not~~
26 ~~transferable. Each commission shall fix the license fees to be~~
27 ~~paid by persons or corporations so licensed; provided, however,~~
28 ~~that such occupational license fees shall not exceed \$100. All~~
29 ~~fees shall be paid to the commissions and by them paid into the~~
30 ~~State Treasury through the Department of Revenue and credited to~~

1 ~~the State Racing Fund. The application shall be in the form and~~
2 ~~contain the information as each commission may require.~~
3 ~~Applicants must have their fingerprints taken or have~~
4 ~~fingerprint records on file with the respective commission, the~~
5 ~~Federal Bureau of Investigation, the State Police or any other~~
6 ~~organization recognized by the respective commission as part of~~
7 ~~the background investigation. Each commission may exempt~~
8 ~~applicants from the fingerprint requirement for positions not~~
9 ~~related to the care or training of horses, racing, wagering,~~
10 ~~security or the management operations of the racing corporation~~
11 ~~or racetrack. All licenses shall be issued for three year terms~~
12 ~~and shall be automatically renewed, upon payment of the required~~
13 ~~fee, unless subsection (f) applies. Each commission may~~
14 ~~establish a temporary license and fee valid for four months~~
15 ~~within a twelve month period. No applicant, however, may receive~~
16 ~~more than one temporary license within 12 months of the issuance~~
17 ~~of his or her preceding temporary license. The commissions may~~
18 ~~also stagger the termination dates and renewal dates of the~~
19 ~~licenses, in order to process and issue the licenses in an~~
20 ~~orderly manner that provides for approximately one third of the~~
21 ~~licenses to be renewed each year. The commissions shall fix the~~
22 ~~manner by which licenses are processed and issued by rule or~~
23 ~~regulation.~~

24 ~~(b) All commissioners and all employees, agents and~~
25 ~~representatives of the commissions shall be licensed under this~~
26 ~~act. There shall be no fee for this license. The commissions~~
27 ~~shall fix by rule or regulation the manner in which these~~
28 ~~licenses under this subsection shall be processed and issued.~~

29 ~~(c) If the commissions find that the experience, character~~
30 ~~and general fitness of the applicant are such that the~~

1 ~~participation of the person in horse race meets is consistent~~
2 ~~with the public interest, convenience and necessity, and with~~
3 ~~the best interests of racing generally in conformity with the~~
4 ~~purposes of this act, it may grant a license.~~

5 ~~(d) The commissions may refuse to issue a license under this~~
6 ~~section, if they shall find that the applicant:~~

7 ~~(1) Has been convicted of a crime involving moral~~
8 ~~turpitude.~~

9 ~~(2) Has engaged in bookmaking or other form of illegal~~
10 ~~gambling.~~

11 ~~(3) Has been found guilty of any fraud or~~
12 ~~misrepresentation in connection with racing or breeding.~~

13 ~~(4) Has been found guilty of any violation or attempt to~~
14 ~~violate any law, rule or regulation of racing in any~~
15 ~~jurisdiction, for which suspension from racing might be~~
16 ~~imposed in that jurisdiction.~~

17 ~~(5) Has violated any rule, regulation or order of the~~
18 ~~commissions.~~

19 ~~(d.1) The commissions shall refuse to issue a license under~~
20 ~~this section if they shall find that the applicant has been~~
21 ~~convicted of an offense relating to fixing races. This~~
22 ~~subsection shall not apply if the conviction is overturned on~~
23 ~~appeal under the laws of the jurisdiction of the original~~
24 ~~finding.~~

25 ~~(e) Each commission shall have the right to inspect all~~
26 ~~contracts between licensed corporations and vendors for goods~~
27 ~~and services. Each commission shall require by rule or~~
28 ~~regulation that vendors disclose to the appropriate commission~~
29 ~~all principal officers and a description of their interests in~~
30 ~~the vendors' business. Failure to properly disclose this~~

1 ~~information shall constitute grounds to deny, to revoke or to~~
2 ~~suspend any vendor's license issued under the provisions of this~~
3 ~~act.~~

4 ~~(f) The commissions may suspend, refuse to renew or revoke a~~
5 ~~license issued under this section, if it shall determine that:~~

6 ~~(1) The applicant or licensee:~~

7 ~~(i) has been convicted of a crime involving moral~~
8 ~~turpitude;~~

9 ~~(ii) has engaged in bookmaking or other form of~~
10 ~~illegal gambling;~~

11 ~~(iii) has been found guilty of any fraud in~~
12 ~~connection with racing or breeding;~~

13 ~~(iv) has been guilty of any violation or attempt to~~
14 ~~violate any law, rule or regulation of any racing~~
15 ~~jurisdiction for which suspension from racing might be~~
16 ~~imposed in that jurisdiction;~~

17 ~~(v) has violated any rule, regulation or order of~~
18 ~~the commissions; or~~

19 ~~(vi) has been convicted of a felony offense related~~
20 ~~to the use, possession or sale of drugs or alcohol.~~

21 ~~(2) That the experience, character or general fitness of~~
22 ~~any applicant or licensee is such that the participation of~~
23 ~~the person in horse racing or related activities would be~~
24 ~~inconsistent with the public interest, convenience or~~
25 ~~necessity or with the best interests of racing.~~

26 ~~(f.1) The commissions shall suspend, refuse to renew or~~
27 ~~revoke a license issued under this section if it shall determine~~
28 ~~that the applicant or licensee has been convicted of an offense~~
29 ~~related to fixing races unless the conviction has been~~
30 ~~overturned on appeal under the laws of the jurisdiction of the~~

1 original finding.

2 ~~(g) Pending final determination of any question under this~~
3 ~~section, the commissions may issue a temporary license upon such~~
4 ~~terms and conditions as they may deem necessary or proper to~~
5 ~~effectuate the provisions of this act.~~

6 ~~(h) The commissions may suspend a license under subsection~~
7 ~~(f) pending a hearing on the matter. The hearing must take place~~
8 ~~within ten days of the suspension.~~

9 ~~(i) The commissions shall not grant licenses to citizens of~~
10 ~~states that do not grant licenses to citizens of this~~
11 ~~Commonwealth on the basis of in state preference.~~

12 ~~Section 214. Power of commissions to impose fines and~~
13 ~~penalties.~~

14 ~~(a) In addition to their power to suspend or revoke licenses~~
15 ~~granted by them, the commissions are authorized and empowered to~~
16 ~~impose fines upon any corporation, association or person~~
17 ~~participating in any way in any horse race meet at which pari~~
18 ~~mutuel wagering is conducted, other than as a patron and whether~~
19 ~~licensed by the commissions or not, for a violation of any~~
20 ~~provision of this act or the rules and regulations promulgated~~
21 ~~by the commissions, not exceeding \$5,000 for each violation,~~
22 ~~which fines shall be paid into the State Treasury through the~~
23 ~~Department of Revenue and credited to the General Fund.~~

24 ~~Following exhaustion of any administrative remedies promulgated~~
25 ~~by the commissions for such purpose, the action of the~~
26 ~~commissions in imposing any monetary fine shall be subject to~~
27 ~~appeal to the Commonwealth Court and as approved by that court~~
28 ~~system, or if no court appeal is taken, then as imposed, may be~~
29 ~~collected in an action of assumpsit.~~

30 ~~(b) No officer or employee of a licensed corporation or~~

1 ~~their spouses, parents, fathers in law, mothers in law, sons,~~
2 ~~daughters, sons in law or daughters in law shall have any direct~~
3 ~~or indirect interest in a race horse that is participating in a~~
4 ~~race at a meet at which such person or heretofore mentioned~~
5 ~~relative holds any interest in the licensed corporation~~
6 ~~conducting the meet and/or the track facility. An officer or~~
7 ~~employee of a licensed corporation or their spouses, parents,~~
8 ~~fathers in law, mothers in law, sons, daughters, sons in law or~~
9 ~~daughters in law may have an interest in a race horse and enter~~
10 ~~it at meets that are conducted by licensed corporations or at~~
11 ~~race tracks in which such a person or heretofore mentioned~~
12 ~~relative holds no direct or indirect interest. Each commission~~
13 ~~shall impose a fine or penalty upon any person for violation of~~
14 ~~this subsection as provided for under subsection (a). For~~
15 ~~purposes of this subsection an interest shall not include:~~

16 ~~(1) any breeder's fund award as a result of a horse~~
17 ~~being a registered Pennsylvania bred thoroughbred horse under~~
18 ~~the provisions of section 223; and~~

19 ~~(2) any interest in a licensed corporation or track~~
20 ~~facility that was held by a person, partnership, association~~
21 ~~or corporation on or before January 1, 1988.~~

22 ~~Section 215. Security personnel; powers and duties; penalty.~~

23 ~~(a) The commissions and any licensed corporations are~~
24 ~~authorized and empowered to employ persons as security~~
25 ~~personnel. These persons shall possess the powers and duties of~~
26 ~~a peace officer with respect to the enforcement of the criminal~~
27 ~~laws of the Commonwealth within the race meeting grounds or~~
28 ~~enclosure. The designated persons are also authorized to~~
29 ~~interrogate and eject from the race meeting grounds or enclosure~~
30 ~~any persons suspected of violating any rule or regulation~~

1 ~~promulgated by the commissions. The commissions may refuse~~
2 ~~admission to and eject from enclosure of the race track operated~~
3 ~~by any licensed corporation, any person whose presence there is,~~
4 ~~in the judgment of the commission, inconsistent with the orderly~~
5 ~~or proper conduct of a race meeting or whose presence or conduct~~
6 ~~is deemed detrimental to the best interest of horse racing. The~~
7 ~~action of the commissions in refusing any person admission, or~~
8 ~~ejecting him from, a race meeting ground or enclosure shall not~~
9 ~~be because of the race, creed, color, sex, national origin or~~
10 ~~religion of that person and shall be reviewable by the~~
11 ~~Commonwealth Court.~~

12 ~~(b) Except as provided for in subsections (c) and (d), any~~
13 ~~licensed corporation may refuse admission to and eject from the~~
14 ~~enclosure of the race track operated by any association any~~
15 ~~person except that no person shall be refused admission or be~~
16 ~~ejected because of the race, color, creed, sex, national origin~~
17 ~~or religion of that person.~~

18 ~~(c) A licensed corporation may refuse admission to and eject~~
19 ~~from the enclosure of the race track operated by the~~
20 ~~corporation, any person licensed by the commissions under~~
21 ~~section 213, employed at his occupation at the race track, whose~~
22 ~~presence there is deemed detrimental to the best interests of~~
23 ~~horse racing, citing the reasons for that determination. The~~
24 ~~action of the corporation in refusing the person admission to or~~
25 ~~ejecting him from a race meeting ground or enclosure shall have~~
26 ~~immediate effect. The person refused admission or ejected shall~~
27 ~~receive a hearing before the appropriate commission, if~~
28 ~~requested, pursuant to rules and regulations adopted for that~~
29 ~~purpose by the appropriate commission and a decision rendered~~
30 ~~following that hearing.~~

1 ~~(d) A licensed corporation may not refuse admission to or~~
2 ~~eject a law enforcement official while that official is actually~~
3 ~~engaged in the performance of official duties.~~

4 ~~(e) A person found within a race track enclosure after~~
5 ~~having been refused admission thereto or ejected therefrom~~
6 ~~shall, upon conviction thereof in a summary proceeding, be~~
7 ~~sentenced to pay a fine not exceeding \$300 or undergo~~
8 ~~imprisonment for a term not exceeding 90 days, or both.~~

9 ~~Section 216. Interstate simulcastings of horse races.~~

10 ~~Each commission may, upon request by any licensed~~
11 ~~corporation, grant permission for electronically televised~~
12 ~~simulcasts of horse races to be operated by the licensed~~
13 ~~corporation at the race track enclosure where a horse race~~
14 ~~meeting is being conducted during, between, before or after~~
15 ~~posted races for that racing day. The posted races for that~~
16 ~~racing day shall include a minimum of eight live races, except,~~
17 ~~at thoroughbred tracks on the one day designated as Breeders'~~
18 ~~Cup Event Day, there shall be a minimum of five live races. The~~
19 ~~simulcasts shall be limited to horse races conducted at~~
20 ~~facilities outside this Commonwealth and televised to race track~~
21 ~~enclosures within this Commonwealth. The simulcasts shall also~~
22 ~~be limited to thoroughbred races designated as Grade I stakes,~~
23 ~~or the international equivalent thereto, with purses of at least~~
24 ~~\$100,000; standard bred races with purses of at least \$100,000;~~
25 ~~and other stakes races which have, in the opinion of the~~
26 ~~appropriate commission, significant value to the Pennsylvania~~
27 ~~racing industry. Cross simulcasting of the aforementioned races~~
28 ~~shall be permitted as long as the particular race is available~~
29 ~~to all race tracks in the Commonwealth which are operating live~~
30 ~~racing that day. All simulcasts of horse races from outside this~~

1 ~~Commonwealth shall also comply with the provisions of the~~
2 ~~Interstate Horse Racing Act of 1978, 92 Stat. 1811, 15 USC 3001~~
3 ~~et seq. All forms of pari mutuel wagering as described under~~
4 ~~section 221 shall be allowed on horse races to be televised by~~
5 ~~simulcasting. Each commission may promulgate rules or~~
6 ~~regulations to regulate the wagering and the operation of these~~
7 ~~horse races. All moneys wagered by patrons on these horse races~~
8 ~~shall be computed in the amount of money wagered each racing day~~
9 ~~for purposes of taxation under section 222.~~

10 ~~Section 216.1. Televised international and interstate~~
11 ~~simulcastings of horse races.~~

12 ~~(a) Each commission may, upon request by a licensed~~
13 ~~corporation, grant permission to maintain common pari mutuel~~
14 ~~pools on international and interstate races transmitted to and~~
15 ~~from the racetrack enclosures within this Commonwealth, such~~
16 ~~licensed corporation to be designated as the "host licensee."~~
17 ~~The permission to act as host licensee for international and~~
18 ~~interstate simulcast races shall be limited to licensed~~
19 ~~corporations:~~

20 ~~(1) which have a live racing agreement with a horsemen's~~
21 ~~organization representing a majority of owners and trainers~~
22 ~~at the facility where the licensed corporation conducts~~
23 ~~racing dates;~~

24 ~~(2) which have scheduled 95% of the total number of~~
25 ~~horse or harness racing days scheduled in 1986 by it or its~~
26 ~~predecessor at the facility where the licensed corporation~~
27 ~~conducts racing dates; and~~

28 ~~(3) which, subject to actions or activities beyond the~~
29 ~~control of the licensee, conduct not less than eight live~~
30 ~~races per race date during each meet at the facility where~~

1 ~~the licensed corporation conducts racing dates, except for~~
2 ~~thoroughbred tracks on the day designated as Breeder's Cup~~
3 ~~Event Day, when the facility shall hold a minimum of five~~
4 ~~live races.~~

5 ~~A horsemen's organization representing a majority of owners and~~
6 ~~trainers at a racetrack may consent to waiving or modifying the~~
7 ~~provisions pertaining to the required number of racing days and~~
8 ~~races per day scheduled by a licensed corporation at that~~
9 ~~racetrack.~~

10 ~~(b) Cross simulcasting of the races described in subsection~~
11 ~~(a) shall be permitted if all amounts wagered on the races in~~
12 ~~this Commonwealth are included in common pari mutuel pools. A~~
13 ~~host licensee seeking permission to cross simulcast must obtain~~
14 ~~approval from both the State Harness Racing Commission and the~~
15 ~~State Horse Racing Commission. All simulcasts of horse races~~
16 ~~shall also comply with the provisions of the Interstate Horse~~
17 ~~Racing Act of 1978 (92 Stat. 1811, 15 U.S.C. § 3001 et seq.).~~
18 ~~All forms of pari mutuel wagering as described under section 221~~
19 ~~shall be allowed on horse races to be televised by simulcasting.~~
20 ~~Each commission may permit pari mutuel pools in this~~
21 ~~Commonwealth to be combined with pari mutuel pools created under~~
22 ~~the laws of another jurisdiction and may permit pari mutuel~~
23 ~~pools created under the laws of another jurisdiction to be~~
24 ~~combined with pari mutuel pools in this Commonwealth. Each~~
25 ~~commission may promulgate rules or regulations to regulate~~
26 ~~wagering on televised simulcasts.~~

27 ~~(c) All moneys wagered by patrons in this Commonwealth on~~
28 ~~these horse races shall be computed in the amount of money~~
29 ~~wagered each racing day for purposes of taxation under section~~
30 ~~222 and all thoroughbred races shall be considered a part of a~~

1 ~~thoroughbred horse race meeting and all harness races shall be~~
2 ~~considered a part of a harness horse race meeting for purposes~~
3 ~~of section 222(b)(5).~~

4 ~~Section 217. Refunds.~~

5 ~~(a) Money received by the commissions may, within one year~~
6 ~~from receipts thereof, be refunded, to the party for whose~~
7 ~~account the same were received, on proof satisfactory to the~~
8 ~~commissions that:~~

9 ~~(1) the moneys were in excess of the amount required by~~
10 ~~law;~~

11 ~~(2) the license for which application was made has been~~
12 ~~refused by the commission;~~

13 ~~(3) the moneys were received as a fine and the~~
14 ~~commission has, after review, reduced the amount of the fine;~~
15 ~~or~~

16 ~~(4) upon appeal, the court reduced or remitted the fine~~
17 ~~imposed and paid.~~

18 ~~(b) Refunds shall, upon approval by the commission and after~~
19 ~~approval by the Board of Finance and Revenue, be paid from any~~
20 ~~moneys in the State Racing Fund.~~

21 ~~Section 218. Place and manner of conducting pari mutuel~~
22 ~~wagering.~~

23 ~~(a) Every licensed corporation shall provide during a horse~~
24 ~~race meeting a place or places within the race track enclosure~~
25 ~~at which the licensed corporation shall conduct the pari mutuel~~
26 ~~system of wagering by its patrons on the results of horse races~~
27 ~~held at such meetings or televised to the race track enclosure~~
28 ~~by simulcasting. The licensed corporation shall erect a sign or~~
29 ~~board upon which shall be displayed the approximate straight~~
30 ~~odds on each horse in any race; the value of a winning mutuel~~

1 ~~ticket, straight, place or show on the first three horses in the~~
2 ~~race; the elapsed time of the race; the value of a winning daily~~
3 ~~double ticket, if a daily double be conducted, and any other~~
4 ~~information that the commissions may deem necessary for the~~
5 ~~guidance of the general public. The commissions may prescribe,~~
6 ~~by rule, the type and kind of equipment to be used for the~~
7 ~~display of the foregoing information.~~

8 ~~(b) Each commission may upon request by any licensed~~
9 ~~corporation grant permission to the licensed corporation to~~
10 ~~conduct a telephone account wagering system: Provided, however,~~
11 ~~That all telephone messages to place wagers must be to a place~~
12 ~~within the race track enclosure: And further provided, That all~~
13 ~~moneys used to place telephone wagers be on deposit in an amount~~
14 ~~sufficient to cover the wager at the race track where the~~
15 ~~account is opened. Each commission may promulgate rules or~~
16 ~~regulations to regulate telephone account wagering. All moneys~~
17 ~~wagered as a result of telephone account wagering shall be~~
18 ~~included in the amount wagered each racing day for purposes of~~
19 ~~taxation under section 222 and shall be included in the same~~
20 ~~pari mutuel pools for each posted race. All telephone account~~
21 ~~wagering systems shall be solely operated by the licensed~~
22 ~~corporations.~~

23 ~~(c) A licensed corporation shall only accept and tabulate a~~
24 ~~wager by a direct telephone call from the holder of a telephone~~
25 ~~wagering account. No person shall directly or indirectly act as~~
26 ~~an intermediary, transmitter or agent in the placing of wagers~~
27 ~~for a holder of a telephone wagering account. No person shall in~~
28 ~~any manner place any wager by telephone to a facility in the~~
29 ~~race track enclosure on behalf of a holder of a telephone~~
30 ~~wagering account. Only the holder of a telephone wagering~~

1 ~~account shall place a telephone wager. Any person violating this~~
2 ~~subsection shall be guilty of a misdemeanor of the first degree.~~

3 ~~(d) A licensed corporation shall not accept a telephone~~
4 ~~wager from, nor establish a telephone betting account for, any~~
5 ~~person located in or residing in an area defined herein as the~~
6 ~~primary market area of a race track, other than the race track~~
7 ~~at which the licensed corporation is conducting a racing meet.~~
8 ~~Nothing herein shall prohibit the licensed corporation from~~
9 ~~accepting a telephone wager from, or establishing a telephone~~
10 ~~betting account for, any person located in or residing in the~~
11 ~~primary market area of the track at which the licensed~~
12 ~~corporation is conducting a meet and, if two tracks share~~
13 ~~primary market area as defined herein, both tracks shall have~~
14 ~~equal rights to the market in the shared area.~~

15 ~~(e) The primary market area of a race track, for purposes of~~
16 ~~this act, is defined as that land area included in a circle~~
17 ~~drawn with the race track as the center and a radius of 35 air~~
18 ~~miles.~~

19 ~~(f) The secondary market area of a racetrack, for purposes~~
20 ~~of this act, is defined as that land area included in a circle~~
21 ~~drawn with the racetrack as the center and a radius of 50 air~~
22 ~~miles, but not including the primary market area of the~~
23 ~~racetrack.~~

24 ~~(g) Notwithstanding any other provisions of this act to the~~
25 ~~contrary, upon approval by the appropriate commission, a~~
26 ~~licensed corporation may establish one or more nonprimary~~
27 ~~locations at which it shall conduct pari mutuel wagering on all~~
28 ~~horse races conducted by such licensed corporation and may~~
29 ~~conduct pari mutuel wagering on horse races conducted by another~~
30 ~~licensed corporation, which horse races may be televised to the~~

1 ~~locations, or on horse races simulcast to the locations pursuant~~
2 ~~to section 216, provided that:~~

3 ~~(1) No licensed corporation may establish nonprimary~~
4 ~~locations within the primary market area, as set forth in~~
5 ~~subsection (e), of any racetrack other than a racetrack at~~
6 ~~which the licensed corporation conducts race meetings.~~
7 ~~Establishment of a nonprimary location by a licensed~~
8 ~~corporation within the primary market area of a racetrack at~~
9 ~~which the licensed corporation conducts race meetings shall~~
10 ~~require approval of the commission regulating the activities~~
11 ~~of such licensed corporation.~~

12 ~~(2) Any licensed corporation may establish a nonprimary~~
13 ~~location within the secondary market area of a racetrack as~~
14 ~~set forth in subsection (f), provided that the nonprimary~~
15 ~~location is approved by both the State Harness Racing~~
16 ~~Commission and the State Horse Racing Commission.~~

17 ~~(3) Any licensed corporation may establish a nonprimary~~
18 ~~location in areas outside the primary and secondary market~~
19 ~~areas of any racetrack, provided that the location is~~
20 ~~approved by the commission which regulates the activities of~~
21 ~~the licensed corporation establishing the location.~~

22 ~~(4) Where a site is approved by the commission as a~~
23 ~~nonprimary location established by more than one licensed~~
24 ~~corporation, by agreement between the licensed corporations~~
25 ~~and with the approval of the appropriate commission, one~~
26 ~~licensed corporation may operate the pari mutuel equipment~~
27 ~~for one or more of the licensed corporations at that~~
28 ~~location, but the location may still be considered a part of~~
29 ~~the racetrack enclosure of each of the licensed corporations~~
30 ~~approved to conduct pari mutuel wagering at that location.~~

1 ~~(5) (i) Any licensed corporation, planning to establish~~
2 ~~a nonprimary location, shall submit to the appropriate~~
3 ~~commission a nonprimary location statement in a form~~
4 ~~prescribed by the appropriate commission which specifies,~~
5 ~~but is not limited to, the following:~~

6 ~~(A) The number of permanent and part time jobs~~
7 ~~to be created at the proposed facility.~~

8 ~~(B) The population of the town or municipality,~~
9 ~~and surrounding area, where the proposed facility is~~
10 ~~to be located.~~

11 ~~(C) The proximity of the proposed facility to~~
12 ~~any other nonprimary location or licensed racetrack.~~

13 ~~(D) The type of seating to be provided,~~
14 ~~including areas in the proposed facility where~~
15 ~~patrons can handicap races.~~

16 ~~(E) The total seating capacity of the proposed~~
17 ~~facility.~~

18 ~~(F) The size and number of toilet facilities.~~

19 ~~(G) The availability of food and beverages,~~
20 ~~including the number of tables, chairs, kitchen~~
21 ~~facilities and concession stands.~~

22 ~~(H) The number of available parking spaces.~~

23 ~~(I) A description of the general demeanor of the~~
24 ~~facility, including lighting, decor and plans for the~~
25 ~~exterior of the facility.~~

26 ~~(J) The number of betting windows and stand~~
27 ~~alone terminals to be provided.~~

28 ~~(K) A description of the heating and air~~
29 ~~conditioning units, the smoke removal equipment and~~
30 ~~other climate control devices.~~

1 ~~(L) The total square feet of the proposed~~
2 ~~facility.~~

3 ~~(ii) The General Assembly recognizes the economic~~
4 ~~importance of the horse racing industry in this~~
5 ~~Commonwealth; and further recognizes that the~~
6 ~~Pennsylvania horse racing industry is in a state of~~
7 ~~decline. Therefore, it is the intent of the General~~
8 ~~Assembly through this amendatory act to revitalize and~~
9 ~~secure the economic future of the horse racing industry~~
10 ~~and to encourage statewide economic development by~~
11 ~~assisting in the development of nonprimary locations. It~~
12 ~~is the further intent of the General Assembly through~~
13 ~~this amendatory act that in no case shall the appropriate~~
14 ~~commission approve a nonprimary location statement when~~
15 ~~the sole purpose of that statement is to provide wagering~~
16 ~~opportunities pursuant to this act; rather, the~~
17 ~~appropriate commission shall only approve a nonprimary~~
18 ~~location statement that plans for a public facility~~
19 ~~offering not only wagering opportunities, but other~~
20 ~~amenities, such as high class restaurants and quality~~
21 ~~handicapping facilities, so that all or part of the~~
22 ~~nonprimary facility will resemble the clubhouse~~
23 ~~facilities of a racetrack. It is the further intent of~~
24 ~~the General Assembly through this amendatory act to offer~~
25 ~~the potential for the creation of jobs, not only in the~~
26 ~~racing and wagering industry, but more particularly in~~
27 ~~other service jobs, such as parking attendants, waiters~~
28 ~~and waitresses, security guards, custodial workers and~~
29 ~~food service personnel.~~

30 ~~(iii) In determining whether the nonprimary location~~

1 ~~statement meets the legislative intent of this amendatory~~
2 ~~act, the appropriate commission shall consider factors~~
3 ~~which include, but are not limited to, the following:~~

4 ~~(A) The purposes and provisions of this~~
5 ~~amendatory act.~~

6 ~~(B) The public interest.~~

7 ~~(C) The integrity of live racing.~~

8 ~~(D) The impact on the local community.~~

9 ~~(E) The potential for job creation.~~

10 ~~(F) The quality of the physical facilities and~~
11 ~~all services to be provided therein.~~

12 ~~(iv) In considering whether the appropriate~~
13 ~~commission will grant, suspend or revoke approval of~~
14 ~~nonprimary locations, the provisions of section 209(f)(2)~~
15 ~~shall apply. In connection therewith, the commission~~
16 ~~shall annually conduct inspections of the primary~~
17 ~~facility.~~

18 ~~(v) The rights, duties and obligations of the~~
19 ~~appropriate commission, as set forth in this amendatory~~
20 ~~act, shall apply to nonprimary locations and any~~
21 ~~employees or vendors of the licensed corporation~~
22 ~~establishing the nonprimary location.~~

23 ~~(6) (i) In addition to the requirements of paragraph~~
24 ~~(10), any licensed corporation which is authorized to~~
25 ~~conduct racing at any primary racetrack location at which~~
26 ~~there has not been, in the previous calendar year, a~~
27 ~~minimum of 142 days of live racing shall not be eligible~~
28 ~~to establish nonprimary locations outside its primary~~
29 ~~market area and shall only be eligible to establish~~
30 ~~nonprimary locations within its primary market area~~

1 according to the following schedule.

2 Year	Number of	Number of days	Number of	Number of days
3 live racing	in subsequent	live racing	in subsequent	
4 days	year permitted	days	year permitted	
5 conducted	to operate	conducted	to operate	
6	nonprimary	nonprimary		
7	locations	locations		
8	within primary	within primary		
9	market area	market area		
10 1988	50	365		
11 1989	69	365	Under 69	307
12 1990	88	365	Under 88	259
13 1991	107	365	Under 107	191
14 1992	126	365	Under 126	133
15 1993	142	365	Under 142	75

16 ~~(ii) Notwithstanding the chart contained in~~
17 ~~subparagraph (i), if any such licensed corporation~~
18 ~~schedules 69 or more racing days in calendar year 1989,~~
19 ~~it may, upon approval of the appropriate commission,~~
20 ~~establish nonprimary locations within its primary market~~
21 ~~area for that calendar year.~~

22 ~~(7) (i) The licensed corporation authorized to hold~~
23 ~~race meetings at a primary racetrack location at which~~
24 ~~more than one license is so authorized may be granted up~~
25 ~~to two nonprimary locations by the appropriate~~
26 ~~commission, up to a maximum of four per primary racetrack~~
27 ~~location. The licensed corporation authorized to hold~~
28 ~~race meetings at a primary racetrack location at which~~
29 ~~there is only one such licensed corporation so authorized~~
30 ~~may be granted up to three nonprimary locations.~~

1 ~~(ii) In addition to the nonprimary locations~~
2 ~~authorized by subparagraph (i), during each of the~~
3 ~~calendar years 1989 and 1990, the appropriate commission~~
4 ~~may approve no more than one additional nonprimary~~
5 ~~location per primary racetrack location, for one licensed~~
6 ~~corporation authorized to conduct racing at the primary~~
7 ~~racetrack location.~~

8 ~~(iii) The General Assembly may, at any time, stop~~
9 ~~the further approval of any nonprimary locations. The~~
10 ~~State Harness Racing Commission and the State Horse~~
11 ~~Racing Commission shall not have the authority to approve~~
12 ~~any greater number of nonprimary locations after December~~
13 ~~31, 1990, unless further authorized by the General~~
14 ~~Assembly.~~

15 ~~(iv) It shall be the duty of both the State Harness~~
16 ~~Racing Commission and the State Horse Racing Commission~~
17 ~~to annually report to the General Assembly on the effect~~
18 ~~of nonprimary locations on such factors as the local~~
19 ~~economy, the public interest and the integrity of live~~
20 ~~racing, and make suggestions and recommendations.~~

21 ~~(8) (i) Moneys wagered at all primary and nonprimary~~
22 ~~locations pursuant to this act shall be included in~~
23 ~~common pari mutuel pools. All money wagered by patrons on~~
24 ~~these races shall be computed in the amount of money~~
25 ~~wagered each racing day for purposes of taxation under~~
26 ~~section 222. The licensed corporation conducting the race~~
27 ~~meeting and maintaining the pari mutuel pools shall~~
28 ~~maintain accurate records of the amount wagered in each~~
29 ~~pool from every primary and nonprimary location.~~

30 ~~(ii) The retained moneys as provided for in section~~

1 ~~222(e) shall be calculated for each location where pari-~~
2 ~~mutuel wagering is being conducted. If wagering has taken-~~
3 ~~place at a nonprimary location where the wagering is-~~
4 ~~conducted by a licensed corporation other than the-~~
5 ~~licensed corporation conducting the race meeting, the-~~
6 ~~licensed corporation conducting the race meeting shall-~~
7 ~~retain any moneys to which it is entitled by agreement-~~
8 ~~between such licensed corporations and shall pay over the-~~
9 ~~balance of the retained moneys to the licensed-~~
10 ~~corporation conducting the wagering at the nonprimary-~~
11 ~~location.~~

12 ~~(9) (i) A licensed corporation conducting a race-~~
13 ~~meeting on which pari mutuel wagering is conducted at one-~~
14 ~~or more nonprimary locations shall distribute to the-~~
15 ~~horsemen's organization representing a majority of owners-~~
16 ~~and trainers at its racetrack, or in accordance with the-~~
17 ~~practice of the parties, to be used for payment of purses-~~
18 ~~at that racetrack, an amount equal to not less than 6% of-~~
19 ~~the daily gross wagering handle on such races at a-~~
20 ~~nonprimary location: Provided, however, That when the-~~
21 ~~gross wagering handle on such races at any such-~~
22 ~~nonprimary location on a given day is less than \$30,000,-~~
23 ~~the above referenced percentage shall be not less than-~~
24 ~~3%, and when the gross wagering handle on such races at-~~
25 ~~any such nonprimary location on a given day is between-~~
26 ~~\$30,000 and \$75,000 inclusive, the above referenced-~~
27 ~~percentage shall be not less than 4.75%: And provided-~~
28 ~~further, That whenever a nonprimary location is within-~~
29 ~~the primary market area of a licensed corporation other-~~
30 ~~than the licensed corporation conducting such races, the-~~

1 ~~applicable percentage shall be distributed one half to~~
2 ~~the horsemen's organization representing a majority of~~
3 ~~owners and trainers at the racetrack, or in accordance~~
4 ~~with the practice of the parties, where the race meeting~~
5 ~~is being conducted to be used for the payment of purses~~
6 ~~at that racetrack and one half to such horsemen's~~
7 ~~organization, or in accordance with the practice of the~~
8 ~~parties, at the racetrack within the primary market area~~
9 ~~to be used for the payment of purses at that racetrack.~~
10 ~~Nothing in this subparagraph shall prevent a licensed~~
11 ~~corporation from agreeing to distribute amounts greater~~
12 ~~than the percentages set forth in this subparagraph.~~
13 ~~However, if no alternative agreement has been reached,~~
14 ~~the total percentage paid for purses under this~~
15 ~~subparagraph shall be in accordance with the minimum~~
16 ~~percentages set forth in this subparagraph.~~

17 ~~(ii) Notwithstanding subparagraph (i), or any other~~
18 ~~provision in this act to the contrary, a nonprimary~~
19 ~~location may be established within the primary market~~
20 ~~area of a racetrack by agreement between the licensed~~
21 ~~corporation and the horsemen's organization representing~~
22 ~~a majority of the owners and trainers at that racetrack~~
23 ~~specifying the total percentage of handle wagered at such~~
24 ~~nonprimary location to be distributed to that horsemen's~~
25 ~~organization, or in accordance with the practice of the~~
26 ~~parties, to be used for the payment of purses at that~~
27 ~~racetrack. If no such agreement is reached covering such~~
28 ~~locations, the total percentage to be paid for purses~~
29 ~~pursuant to this subparagraph shall be the same as that~~
30 ~~applied to on track wagering at the racetrack located~~

1 ~~within the primary market area.~~

2 ~~(10) The provisions of section 234 relating to the~~
3 ~~required number of racing days apply to this subsection.~~
4 ~~However, a horsemen's organization representing a majority of~~
5 ~~owners and trainers at a racetrack may consent to waiving or~~
6 ~~modifying the provisions as pertaining to the required number~~
7 ~~of racing days scheduled by a licensed corporation at that~~
8 ~~racetrack.~~

9 ~~Section 219. Books and records of pari mutuel wagering.~~

10 ~~Every corporation that conducts a horse race meeting at which~~
11 ~~pari mutuel wagering is authorized, shall keep books and records~~
12 ~~so as to clearly show by separate record the total amount of~~
13 ~~money contributed to every pari mutuel pool. The Department of~~
14 ~~Revenue or its authorized representative shall have access to~~
15 ~~all books and records for the purpose of examining the same and~~
16 ~~ascertaining whether the proper amount due to the State is being~~
17 ~~paid by the licensed corporation.~~

18 ~~Section 220. Filing of certain agreements with the commissions.~~

19 ~~Every corporation licensed to conduct horse race meetings at~~
20 ~~which pari mutuel wagering is permitted shall promptly after~~
21 ~~entering any lease agreement concerning any concession, labor~~
22 ~~management relation, hiring of designated classes of officers,~~
23 ~~employees or contractors specified by the commissions or any~~
24 ~~such other contract or agreement as the commissions may~~
25 ~~prescribe, file with the appropriate commission a true and~~
26 ~~correct copy, or an accurate summary, if oral.~~

27 ~~Section 221. Retention percentages for pari mutuel pools.~~

28 ~~(a) Every licensed corporation shall distribute the moneys~~
29 ~~in any pari mutuel pool to the holders of winning tickets under~~
30 ~~the following requirements:~~

1 ~~(1) all tickets shall be presented for payment before~~
2 ~~the first day of April of the year following the year of~~
3 ~~their purchase; and~~

4 ~~(2) seventeen percent of the moneys plus the breakage~~
5 ~~from regular wagering pools shall be retained by the licensed~~
6 ~~corporations for further distribution under section 222; or~~

7 ~~(3) nineteen percent of the moneys plus the breakage~~
8 ~~from regular wagering pools from licensed corporations whose~~
9 ~~total deposits in all pari mutuel pools averaged less than~~
10 ~~\$300,000 per racing day for their previous meeting at the~~
11 ~~same facility; or~~

12 ~~(4) twenty percent of the moneys plus the breakage from~~
13 ~~the exacta, daily double, quinella and other wagering pools~~
14 ~~involving two horses each racing day shall be retained by the~~
15 ~~licensed corporations for further distribution under section~~
16 ~~222; or~~

17 ~~(5) at least 26% but no more than 35% of the moneys plus~~
18 ~~the breakage from the trifecta or other wagering pools~~
19 ~~involving more than two horses in one or more races each~~
20 ~~racing day shall be retained by the licensed corporations for~~
21 ~~further distribution under section 222; and~~

22 ~~(6) except as provided for in subsection (d.1) of~~
23 ~~section 222, every corporation may retain less than 17%, 19%~~
24 ~~or 20% of the moneys in the wagering pools under paragraphs~~
25 ~~(2), (3) and (4) or less than 26% of the moneys in the~~
26 ~~wagering pools under paragraph (5) upon approval from the~~
27 ~~appropriate commission; and~~

28 ~~(7) every corporation may retain more than 25% but no~~
29 ~~more than 35% of the moneys in the wagering pools under~~
30 ~~paragraph (5) upon approval from the appropriate commission;~~

1 and

2 ~~(8) all moneys remaining in the wagering pools described~~
3 ~~under paragraphs (2), (3), (4), (5), (6) and (7) shall be~~
4 ~~distributed to the holders of winning tickets.~~

5 ~~(b) Breakage shall mean the odd cents of redistributions to~~
6 ~~be made on all contributions to pari mutuel pools exceeding a~~
7 ~~sum equal to the next lowest multiple of ten.~~

8 ~~(c) The commissions shall establish by rule or regulation~~
9 ~~provisions for minus pools relating to the retention~~
10 ~~requirements under this section.~~

11 ~~Section 222. Distribution of moneys retained from pari mutuel~~
12 ~~pools; taxation.~~

13 ~~(a) There is hereby created the State Racing Fund. All~~
14 ~~licensed corporations that conduct harness race meetings shall~~
15 ~~pay a tax through the Department of Revenue for credit to the~~
16 ~~State Racing Fund. All licensed corporations that conduct~~
17 ~~thoroughbred horse race meetings shall pay a tax through the~~
18 ~~Department of Revenue for credit to the State Racing Fund. The~~
19 ~~tax imposed on all licensed corporations shall be a percentage~~
20 ~~tax on the amount wagered each racing day and be paid from the~~
21 ~~moneys retained under section 221.~~

22 ~~(a.1) At the close of each day of racing, all corporations~~
23 ~~licensed to conduct harness horse race meetings or thoroughbred~~
24 ~~horse race meetings which annually conduct at least 100 days of~~
25 ~~racing, or when two licensed corporations conduct their race~~
26 ~~meetings at the same facility and between them annually conduct~~
27 ~~at least 175 days of racing, will pay out of the moneys retained~~
28 ~~on that day under section 221, through the Department of Revenue~~
29 ~~for credit to the State Horse Racing Fund the following taxes~~
30 ~~for the time periods stated:~~

1 ~~(1) From January 1, 1984 through June 30, 1984 — 3.8%.~~

2 ~~(2) From July 1, 1984 through June 30, 1986 — 2.0%.~~

3 ~~(3) After June 30, 1986 — 1.5%, except as provided in~~
4 ~~subsection (a.4).~~

5 ~~(a.2) Corporations not annually conducting at least 100 days~~
6 ~~of racing, or 175 days of racing in conjunction with another~~
7 ~~licensee at the same facility as described above, will pay 2.5%~~
8 ~~from July 1, 1984 to June 30, 1986, and 2.0% thereafter. This~~
9 ~~subsection shall not apply if races are not conducted because of~~
10 ~~an act of God or because of a strike resulting from a labor~~
11 ~~dispute.~~

12 ~~(a.3) For purposes of this section, a racing day shall be~~
13 ~~considered conducted after the appropriate commission has~~
14 ~~certified the allocation of racing days to the Secretary of the~~
15 ~~Department of Revenue under the provisions of section 207(b)~~
16 ~~even if the racing day is subsequently cancelled by the licensed~~
17 ~~corporation for reasons beyond its control.~~

18 ~~(a.4) Any corporation which does not hold a license under~~
19 ~~section 209 on the effective date of this act and which is~~
20 ~~granted a license under this act shall be subject to payment out~~
21 ~~of moneys retained under section 221, through the Department of~~
22 ~~Revenue for credit to the State Horse Racing Fund, of the~~
23 ~~following tax for a period of four years from the issuance date~~
24 ~~of the license — 1.0%, at which time said licensee shall be~~
25 ~~subject to the lawful rate then in effect under subsection (a.1)~~
26 ~~(3).~~

27 ~~(a.5) In order to qualify for the 1.0% tax rate authorized~~
28 ~~under subsection (a.4), the newly licensed corporation may not~~
29 ~~include any officer, director or the immediate relative (spouse,~~
30 ~~children or parents) of any officer or director of any licensed~~

1 ~~racing corporation which conducted, at any time within the~~
2 ~~immediately preceding five years, any horse or harness race~~
3 ~~meetings at the racetrack enclosure for which the license is~~
4 ~~sought. Also, the newly licensed corporation may not include any~~
5 ~~shareholder (or their immediate relative) holding a 5% or~~
6 ~~greater interest who also held a 5% or greater interest in any~~
7 ~~corporation licensed at any time within the immediately~~
8 ~~preceding five years to conduct horse or harness race meetings~~
9 ~~at the racetrack enclosure for which the license is sought.~~

10 ~~(b) The commissions shall distribute moneys from the State~~
11 ~~Racing Fund, together with the interest earned thereon, in the~~
12 ~~following manner:~~

13 ~~(1) The salaries of employees of the commission employed~~
14 ~~by or for it under the provisions of this act and the act of~~
15 ~~April 9, 1929 (P.L.177, No.175), known as "The Administrative~~
16 ~~Code of 1929," net of any income earned or received by the~~
17 ~~commission.~~

18 ~~(2) The payment of the compensation of employees of the~~
19 ~~Department of Revenue when used in collecting taxes and~~
20 ~~penalties imposed by this act.~~

21 ~~(3) The expenses of the Secretary and the Department of~~
22 ~~Agriculture incurred in administering their duties under this~~
23 ~~act.~~

24 ~~(4) To pay all other expenses incurred by the commission~~
25 ~~in administering this act, net of any income earned or~~
26 ~~received by the commission.~~

27 ~~(5) From remaining moneys in the State Racing Fund:~~

28 ~~(i) An amount equivalent to one percent of the~~
29 ~~amount wagered each racing day at thoroughbred horse race~~
30 ~~meetings shall be paid by the Horse Racing Commission~~

1 ~~from the State Racing Fund through the Department of~~
2 ~~Revenue for credit to the Pennsylvania Breeding Fund.~~

3 ~~(ii) An amount equivalent to one and one half~~
4 ~~percent of the amount wagered each racing day at harness~~
5 ~~horse race meetings shall be paid by the Harness Racing~~
6 ~~Commission from the State Racing Fund through the~~
7 ~~Department of Revenue for credit to the Pennsylvania Sire~~
8 ~~Stakes Fund, beginning on July 1, 1983.~~

9 ~~(6) All remaining moneys in the State Racing Fund shall~~
10 ~~be paid into the General Fund.~~

11 ~~(c) All breakage retained under section 221 by licensed~~
12 ~~corporations that conduct thoroughbred horse race meetings shall~~
13 ~~be distributed in the following manner:~~

14 ~~(1) Fifty percent of the breakage shall be retained by~~
15 ~~the licensed corporations.~~

16 ~~(2) Twenty five percent of the breakage shall be~~
17 ~~retained by the licensed corporations to be used solely for~~
18 ~~purses to the horsemen.~~

19 ~~(3) Twenty five percent of the breakage shall be paid to~~
20 ~~the Department of Revenue for credit to the State Horse~~
21 ~~Racing Fund.~~

22 ~~(d) All breakage retained under section 221 by licensed~~
23 ~~corporations that conduct harness horse race meetings shall be~~
24 ~~distributed in the following manner:~~

25 ~~(1) Fifty percent of the breakage shall be retained by~~
26 ~~the licensed corporations.~~

27 ~~(2) The remaining 50% of the breakage shall be retained~~
28 ~~by the licensed corporations of which one half of this~~
29 ~~breakage shall be used solely by the licensed corporations~~
30 ~~for claiming and nonclaiming races where entry is restricted~~

1 ~~to Pennsylvania sired horses in the following manner:~~

2 ~~(i) On January 1, 1982, and thereafter at least five~~
3 ~~of the horses programmed to start shall be Pennsylvania-~~
4 ~~sired horses. If at least five of the horses programmed~~
5 ~~to start are not Pennsylvania sired horses, then the~~
6 ~~licensed corporation conducting the meet shall cancel the~~
7 ~~race.~~

8 ~~(ii) On January 1, 1983, and thereafter at least~~
9 ~~seven of the horses programmed to start shall be~~
10 ~~Pennsylvania sired horses. If at least seven of the~~
11 ~~horses programmed to start are not Pennsylvania sired-~~
12 ~~horses, then the licensed corporation conducting the meet~~
13 ~~shall cancel the race.~~

14 ~~(iii) On January 1, 1984, and thereafter, only~~
15 ~~Pennsylvania sired horses shall be allowed to start in~~
16 ~~these races. If all the positions are not filled by~~
17 ~~Pennsylvania sired horses in these races, then the~~
18 ~~licensed corporation conducting the meet shall cancel the~~
19 ~~race.~~

20 ~~All breakage moneys due licensed corporations for the purses for~~
21 ~~claiming and nonclaiming races under this paragraph but not~~
22 ~~expended as a result of a race cancellation shall be carried~~
23 ~~forward to the next succeeding meet by the licensed corporations~~
24 ~~to be used for claiming and nonclaiming races which restrict~~
25 ~~entry to Pennsylvania sired horses under the provisions of this~~
26 ~~paragraph.~~

27 ~~(d.1) An amount equivalent to one percent of the amount~~
28 ~~wagered at each racing day at thoroughbred and harness horse-~~
29 ~~race meetings as set forth in section 221(a) (4) and (5) shall be~~
30 ~~paid through the Department of Revenue for credit to the State~~

1 ~~Racing Fund.~~

2 ~~(e) All remaining moneys retained under section 221 and not~~
3 ~~heretofore distributed shall be kept by the licensed~~
4 ~~corporations for their use.~~

5 ~~Section 223. Pennsylvania Breeding Fund.~~

6 ~~(a) There is hereby created a restricted account in the~~
7 ~~State Racing Fund to be known as the Pennsylvania Breeding Fund~~
8 ~~which shall consist of the money appropriated under the~~
9 ~~provisions of section 222 and which shall be administered by the~~
10 ~~State Horse Racing Commission.~~

11 ~~(b) After the deduction of expenses related to the~~
12 ~~administration and development of the Pennsylvania Breeding Fund~~
13 ~~program incurred by the Pennsylvania Horse Breeders'~~
14 ~~Association, the State Horse Racing Commission shall, by rule or~~
15 ~~regulation, provide for awards as follows:~~

16 ~~(1) An award of 30% of the purse earned by every~~
17 ~~registered Pennsylvania bred thoroughbred horse sired by a~~
18 ~~registered Pennsylvania sire at the time of conception of the~~
19 ~~registered Pennsylvania bred thoroughbred horse, or an award~~
20 ~~of 20% of the purse earned by every registered Pennsylvania~~
21 ~~bred thoroughbred horse sired by a nonregistered sire, which~~
22 ~~finishes first, second or third in any race conducted by a~~
23 ~~licensed corporation under this act shall be paid to the~~
24 ~~breeder of said registered Pennsylvania bred thoroughbred~~
25 ~~horse. A single award under this paragraph may not exceed 1%~~
26 ~~of the total annual fund money.~~

27 ~~(2) An award of 10% of the purse earned by any~~
28 ~~Pennsylvania bred thoroughbred horse which finishes first,~~
29 ~~second or third in any race conducted by a licensed~~
30 ~~corporation under this act shall be paid to the owner of the~~

1 ~~registered Pennsylvania sire which regularly stood in~~
2 ~~Pennsylvania at the time of conception of said Pennsylvania-~~
3 ~~bred thoroughbred horse. A single award under this paragraph~~
4 ~~may not exceed .5% of the total annual fund money.~~

5 ~~(3) An award of 10% of the purse earned by any~~
6 ~~registered Pennsylvania bred thoroughbred horse which~~
7 ~~finishes first in any race conducted by a licensed~~
8 ~~corporation under this act not restricting entry to~~
9 ~~registered Pennsylvania bred thoroughbred horses shall be~~
10 ~~paid to the licensed owner of said registered Pennsylvania-~~
11 ~~bred thoroughbred horse at the time of winning. A single~~
12 ~~award under this paragraph may not exceed .5% of the total~~
13 ~~annual fund money.~~

14 ~~(c) Up to one fifth of the total of the estimated fund~~
15 ~~moneys remaining each year after the deduction of expenses~~
16 ~~related to the administration and development of the~~
17 ~~Pennsylvania Breeding Fund program and the payment of breeder,~~
18 ~~stallion and owner awards, shall be divided among the licensed~~
19 ~~corporations that conduct thoroughbred horse race meetings in~~
20 ~~direct proportion to the rate by which each licensed corporation~~
21 ~~generated the fund moneys during the previous year to be used~~
22 ~~solely for purses for Pennsylvania Breeding Fund stakes races~~
23 ~~which restrict entry to registered Pennsylvania bred~~
24 ~~thoroughbred horses.~~

25 ~~(d) The fund moneys remaining following disbursements as~~
26 ~~directed in subsection (b) (1), (2) and (3) and subsection (c)~~
27 ~~shall be divided among the licensed corporations that conduct~~
28 ~~thoroughbred horse race meetings in direct proportion to the~~
29 ~~rate by which each licensed corporation generated the fund~~
30 ~~moneys during the previous year to be used for purses as~~

1 follows:

2 ~~(1) Claiming and nonclaiming Pennsylvania Breeding Fund~~
3 ~~races which restrict entry to registered Pennsylvania bred~~
4 ~~thoroughbred horses.~~

5 ~~(2) Claiming and nonclaiming Pennsylvania Breeding Fund~~
6 ~~races which prefer registered Pennsylvania bred thoroughbred~~
7 ~~horses as starters. In these races, should eight or more~~
8 ~~registered Pennsylvania bred horses pass the entry box, the~~
9 ~~race shall be considered closed to horses other than~~
10 ~~registered Pennsylvania bred thoroughbred horses.~~

11 ~~(c) Those Pennsylvania Breeding Fund moneys due licensed~~
12 ~~corporations as outlined in subsections (c) and (d) but not~~
13 ~~expended during the calendar year may be carried forth in the~~
14 ~~fund on the account of said licensed corporations to be expended~~
15 ~~during the succeeding year in addition to said corporations'~~
16 ~~fund moneys annually due them for purses.~~

17 ~~(f) The Pennsylvania Breeding Fund Advisory Committee, under~~
18 ~~the jurisdiction of the State Horse Racing Commission, is hereby~~
19 ~~established and shall be part of the Pennsylvania State Horse~~
20 ~~Racing Commission. The commission shall consist of five members,~~
21 ~~all of whom shall be residents of Pennsylvania, to be appointed~~
22 ~~by the commission by June 1 of each year. The committee shall~~
23 ~~consist of two members of the Pennsylvania Horse Breeders'~~
24 ~~Association, one member from the licensed corporations, one~~
25 ~~member from the association representing horsemen racing in~~
26 ~~Pennsylvania and one member of the commission. If any member~~
27 ~~other than the commission member has not been recommended by~~
28 ~~June 1 of each year, the commission shall make an appointment~~
29 ~~for the organization failing to so recommend a member of the~~
30 ~~committee. The committee shall assist and advise the commission~~

1 ~~under the provisions of this act but shall have no power in~~
2 ~~administering the fund. The members of the committee shall~~
3 ~~receive no compensation for their services as members.~~

4 ~~(g) The State Horse Racing Commission may contract with the~~
5 ~~Pennsylvania Horse Breeders' Association as the sole responsible~~
6 ~~body for the registration and records of Pennsylvania bred. The~~
7 ~~Pennsylvania Horse Breeders' Association shall advise the~~
8 ~~commission when called upon and shall determine the~~
9 ~~qualifications for Pennsylvania bred thoroughbred horses and~~
10 ~~Pennsylvania sires. Its registration and record facts are hereby~~
11 ~~declared as official Pennsylvania records. At the close of each~~
12 ~~calendar year, the Pennsylvania Horse Breeders' Association,~~
13 ~~through the Pennsylvania Breeding Fund Advisory Committee, shall~~
14 ~~submit to the commission for its approval an itemized budget of~~
15 ~~projected expenses for the ensuing year relating to the~~
16 ~~administration and development of the Pennsylvania Breeding Fund~~
17 ~~program. The commission, on no more than a quarterly basis,~~
18 ~~shall reimburse from the fund the Pennsylvania Horse Breeders'~~
19 ~~Association for those expenses actually incurred in the~~
20 ~~administration and development of the Breeding Fund program.~~
21 ~~Section 224. Pennsylvania Sire Stakes Fund.~~

22 ~~(a) There is hereby created a restricted account in the~~
23 ~~State Racing Fund to be known as the Pennsylvania Sire Stakes~~
24 ~~Fund which shall consist of the money appropriated under the~~
25 ~~provisions of section 222 and which shall be administered by the~~
26 ~~State Harness Racing Commission.~~

27 ~~(b) Sixty percent of the money remaining in the excess fund~~
28 ~~account of the Pennsylvania Sire Stakes Fund at the end of the~~
29 ~~calendar year in which this subsection is enacted shall be~~
30 ~~distributed to licensed corporations that conduct harness horse~~

~~1 race meetings to be used in the next succeeding calendar year as
2 purse money for Pennsylvania sired horses. The remaining 40% of
3 the money in the excess fund account at the end of the calendar
4 year of the enactment of this subsection, together with the
5 interest earned on that money, shall be distributed to licensed
6 corporations that conduct harness horse race meetings to be used
7 in the next succeeding calendar year following the next
8 succeeding calendar year as purse money for Pennsylvania sired
9 horses. After deduction of sufficient funds to cover the State
10 Harness Racing Commission's cost of administration, 80%, unless
11 a smaller percentage is necessary in order to comply with the
12 minimum dollar requirement of subsection (e), of all remaining
13 moneys in the Pennsylvania Sire Stakes Fund at the end of the
14 calendar year shall be distributed to licensed corporations that
15 conduct harness horse race meetings to be used as purse money
16 for Pennsylvania sired horses. The State Harness Racing
17 Commission may then allocate up to a total of and not exceeding
18 40% of the total amount to be distributed to licensed
19 corporations in a calendar year for use for a series of
20 championship final races at the race tracks of licensed
21 corporations that conduct harness horse race meetings. The State
22 Harness Racing Commission shall allocate the moneys to these
23 championship final races in an equal amount for each sex, age
24 and gait for two and three year old trotters and pacers. The
25 State Harness Racing Commission shall determine conditions
26 establishing eligibility to these final events. No pari-mutuel
27 harness track shall be awarded more than 50% of the championship
28 final races in any calendar year. The State Harness Racing
29 Commission shall schedule these final events so as to evenly
30 alternate classes at each race track each year. After the~~

~~1 allocation for the championship final races has been determined,
2 the remaining funds to be distributed to licensed corporations
3 that conduct harness horse race meetings shall be divided
4 equally among the licensed corporations. Each licensed
5 corporation shall divide the funds received equally for each of:~~

~~6 (1) four two year old races; one pace for colts, one
7 pace for fillies, one trot for colts and one trot for
8 fillies; and~~

~~9 (2) four three year old races; one pace for colts, one
10 pace for fillies, one trot for colts and one trot for
11 fillies.~~

~~12 (c) Each allotment shall provide purse money for the
13 respective races. The purse money shall be in addition to any
14 entry fees or other funds available.~~

~~15 (d) Entry for these races shall be limited to harness horses
16 which were sired by a standardbred stallion regularly standing
17 in Pennsylvania and each race shall be designated a Pennsylvania
18 sire stakes race. The State Harness Racing Commission shall make
19 the provisions and regulations as it shall deem necessary for
20 the proper administration of the entry restriction.~~

~~21 (e) The remaining moneys in the Pennsylvania Sire Stakes
22 Fund up to a total of and not exceeding \$25,000 for each
23 agricultural fair and one or two day events as defined in
24 harness racing commission regulations shall be divided equally
25 among those agricultural fairs and one or two day events, not
26 to exceed more than five one or two day events per year and as
27 authorized by the State Harness Racing Commission, provided that
28 no more than two one day or two day events per county are
29 authorized unless, after a date established by the commission,
30 all five of the events have not been allocated, conducting~~

1 ~~harness horse races for two year old and three year old harness~~
2 ~~horses: Provided, however, That in no event shall less than~~
3 ~~\$225,000 be allocated from the Pennsylvania Sire Stakes Fund and~~
4 ~~be divided equally among those agricultural fairs and one or~~
5 ~~two day events conducting these races. Each fair or one or two~~
6 ~~day events receiving the funds shall divide the total amount~~
7 ~~equally among all eligible races for two year old and three~~
8 ~~year old harness horses and shall apply the funds solely as~~
9 ~~additional purse funds. Only races to which entry is restricted~~
10 ~~to Pennsylvania sired horses shall be eligible. The State~~
11 ~~Harness Racing Commission shall make the provisions and~~
12 ~~regulations as it shall deem necessary for the proper~~
13 ~~administration of all racing provided for in this subsection,~~
14 ~~including, but not limited to, portable stall rentals at one day~~
15 ~~or two day events.~~

16 ~~(f) The fund moneys remaining following disbursements as~~
17 ~~directed in subsections (b), (c), (d) and (e) shall, except as~~
18 ~~provided in subsection (b), be divided among active licensed~~
19 ~~corporations that conduct harness horse race meetings under this~~
20 ~~act in direct proportion to the rate by which each licensed~~
21 ~~corporation generated the fund moneys during the previous year.~~
22 ~~The fund moneys so divided shall be used for purses as follows:~~

23 ~~(1) A minimum of four races, claiming and nonclaiming,~~
24 ~~shall be carded per week on the condition sheet for overnight~~
25 ~~claiming and nonclaiming Pennsylvania Fund races which~~
26 ~~restrict entry to registered Pennsylvania sired or wholly~~
27 ~~Pennsylvania owned harness horses.~~

28 ~~(2) Claiming and nonclaiming Pennsylvania Fund races~~
29 ~~which prefer registered Pennsylvania sired harness horses as~~
30 ~~starters. In these races, should seven or more registered~~

1 ~~Pennsylvania sired harness horses pass the entry box, the~~
2 ~~race shall be considered closed to horses other than~~
3 ~~registered Pennsylvania sired harness horses.~~

4 ~~Section 225.1. Fair Fund proceeds.~~

5 ~~The Secretary of Agriculture shall distribute certain moneys~~
6 ~~in the Fair Fund annually, on or before March 1, for~~
7 ~~reimbursement for each county agricultural society and each~~
8 ~~independent agricultural society conducting harness horse racing~~
9 ~~during its annual fair other than races for two and three year~~
10 ~~old colts and fillies, an amount of money equal to that used~~
11 ~~during their annual fair as purse money for harness horse~~
12 ~~racing, track and stable maintenance, starting gate rental and~~
13 ~~the cost of all harness horse racing officials required during~~
14 ~~their annual fair, but not more than \$13,000, a minimum of~~
15 ~~\$4,000 of which must be used for purse money and the balance of~~
16 ~~said allotment per fair, not used for purse money over the~~
17 ~~minimum \$4,000 allotment, shall be used for said specific~~
18 ~~purposes herein before referenced, or otherwise said allotment~~
19 ~~shall be retained in the fund. The State Harness Racing~~
20 ~~Commission shall cause to be carried out as its responsibility a~~
21 ~~yearly inspection of each track facility and shall advise each~~
22 ~~operating fair of necessary track maintenance which is necessary~~
23 ~~to insure adequate racing surface during the course of scheduled~~
24 ~~fairs and racing events. If it is the opinion of the commission~~
25 ~~that the fair society or event sponsor is not adequately~~
26 ~~financing track maintenance through its permissible~~
27 ~~reimbursement under this paragraph, the commission shall so~~
28 ~~surcharge the Fair Fund account of said fair society or event~~
29 ~~sponsor to effectuate said remediation.~~

30 ~~Section 226. Hearing of refusal or revocation of license.~~

1 ~~If the commissions refuse to grant any license applied for~~
2 ~~under this act, or shall revoke or suspend any license granted,~~
3 ~~the applicant or licensee may demand, within ten days after~~
4 ~~notice of the decision of the appropriate commission, a hearing~~
5 ~~before the appropriate commission. The commission shall give~~
6 ~~prompt notice of the time and place for the hearing at which~~
7 ~~time the commission will hear the applicant or licensee. Pending~~
8 ~~the hearing and final determination, the action of the~~
9 ~~commissions in refusing to grant or in revoking or suspending a~~
10 ~~license shall remain in full force. The commissions may continue~~
11 ~~any hearing from time to time for the convenience of any of the~~
12 ~~parties. Any of the parties affected by a hearing may be~~
13 ~~represented by counsel. In the conduct of the hearing, the~~
14 ~~commissions shall not be bound by technical rules of evidence,~~
15 ~~but all evidence offered before the commissions shall be reduced~~
16 ~~to writing. All evidence, exhibits and findings of the~~
17 ~~commissions shall be permanently preserved and shall constitute~~
18 ~~the record of the commission. In connection with the hearing,~~
19 ~~the commissions shall have the power to administer oaths and~~
20 ~~examine witnesses, and may issue subpoenas to compel attendance~~
21 ~~of witnesses and the production of all material and relevant~~
22 ~~reports, books, papers, documents, correspondence and other~~
23 ~~evidence. The commissions may by order refer to one or more of~~
24 ~~its officers the duty of taking testimony in the matter and to~~
25 ~~report to the commission. Within 30 days after the conclusion of~~
26 ~~the hearing, the appropriate commission shall make a final order~~
27 ~~in writing, setting forth the reasons for the action taken by it~~
28 ~~and a copy thereof shall be served on the applicant or licensee.~~
29 ~~Section 227. Approval of the racing facility.~~

30 ~~The commissions shall not grant to a corporation formed under~~

~~1 this act a license to conduct a horse race meeting at which
2 pari mutuel betting may be conducted, until the corporation has
3 submitted to the appropriate commission a statement of the
4 location of its proposed grounds and race track, together with a
5 plan of the track and plans of all buildings, seating stands and
6 other structures in a form as the appropriate commission may
7 prescribe. All plans shall be approved by the appropriate
8 commission before the issuance of any license to conduct a pari
9 mutuel horse race meeting.~~

~~10 Section 228. Prohibition of wagering by certain officials,
11 employees and minors.~~

~~12 No commissioner, executive secretary, deputy, officer,
13 representative, employee or counsel of the commission shall
14 wager upon the outcome of any horse race conducted at a track at
15 which pari mutuel wagering is conducted by any licensed
16 corporation of the commissions. No licensed corporation shall
17 permit any person who is actually and apparently under 18 years
18 of age to wager at a race meeting conducted by it. No licensed
19 corporation shall permit any person who is under 18 years of age
20 to attend a horse race meeting conducted by it unless the person
21 is accompanied by a parent or guardian. This section shall not
22 be construed to prohibit persons under 18 years of age, who are
23 legally employed, from being upon the race track premises for
24 the sole purpose of engaging in the performance of their duties
25 as employees. The commissions shall, by rule, provide for
26 enforcement of this section.~~

~~27 Section 229. State horse racing veterinarians and State
28 stewards.~~

~~29 (a) The State Horse Racing Commission shall appoint and
30 employ licensed veterinarians and stewards to serve as the horse~~

1 ~~racing veterinarians and State stewards for horse racing,~~
2 ~~respectively, at each meeting conducted by a corporation~~
3 ~~licensed by the State Horse Racing Commission. The State Horse~~
4 ~~Racing Commission shall have the authority to employ other~~
5 ~~individuals as shall be necessary to carry out the~~
6 ~~responsibilities of this section.~~

7 ~~(b) The costs and compensation of the horse racing~~
8 ~~veterinarians, State stewards and other individuals employed~~
9 ~~shall be fixed and paid by the State Horse Racing Commission.~~

10 ~~(c) The State Horse Racing Commission shall establish a job~~
11 ~~description and professional criteria for stewards to assure~~
12 ~~that they have a working knowledge of the horse racing industry.~~
13 ~~Section 230. State harness racing veterinarians.~~

14 ~~(a) The State Harness Racing Commission shall appoint and~~
15 ~~employ licensed veterinarians to serve as the harness racing~~
16 ~~veterinarians for harness racing at each meeting conducted by a~~
17 ~~corporation licensed by the State Harness Racing Commission. The~~
18 ~~State Harness Racing Commission shall have the authority to~~
19 ~~employ other individuals as shall be necessary to carry out the~~
20 ~~responsibilities under this section.~~

21 ~~(b) The costs and compensation of the harness racing~~
22 ~~veterinarians and other individuals employed to carry out the~~
23 ~~provisions of this act shall be fixed and paid by the State~~
24 ~~Harness Racing Commission.~~

25 ~~Section 231. Free passes, cards or badges.~~

26 ~~(a) A licensed corporation shall not issue free passes,~~
27 ~~cards or badges without admission tax, except to persons~~
28 ~~hereafter described: officers, employees and shareholders of the~~
29 ~~corporation conducting the race meeting; members, officers and~~
30 ~~employees of the commissions; members of horse racing~~

1 ~~associations of other states and foreign countries; public~~
2 ~~officers engaged in the performance of their duties; persons~~
3 ~~employed and accredited by the press to attend such meeting;~~
4 ~~owners, stable managers, trainers, jockeys, concessionaries and~~
5 ~~other persons whose actual duties require their presence at the~~
6 ~~race tracks.~~

7 ~~(b) The commissions may allow a licensed corporation to~~
8 ~~issue free passes, cards or badges for special promotional~~
9 ~~programs and seasonal discount ticket programs, so long as the~~
10 ~~corporation has obtained approval from the appropriate~~
11 ~~commission. The admissions taxes under section 208 shall be~~
12 ~~imposed on the price of all seasonal discount tickets sold by a~~
13 ~~licensed corporation.~~

14 ~~(c) The issuance of tax free passes, cards or badges shall~~
15 ~~be under the rules and regulations of the commissions. A list of~~
16 ~~all persons, except persons admitted under an approved special~~
17 ~~promotional program or seasonal discount ticket program, to whom~~
18 ~~free passes, cards or badges are issued shall be filed with the~~
19 ~~appropriate commission.~~

20 ~~Section 232. Political subdivision agricultural fairs and horse~~
21 ~~race meetings not licensed to conduct pari mutuel~~
22 ~~wagering.~~

23 ~~Pari mutuel wagering on horse races at any county or other~~
24 ~~political subdivision, agricultural or other fair shall not be~~
25 ~~authorized. No lottery, pool selling, bookmaking or any other~~
26 ~~kind of gambling upon the results of races, heats or contests of~~
27 ~~speed of horses shall be allowed at any fair or at any horse~~
28 ~~race meeting conducted in the State, except those licensed to~~
29 ~~operate pari mutuel wagering under the provisions of this act.~~

30 ~~Section 233. Monitoring of wagering on video screens.~~

1 ~~Every corporation licensed to conduct pari-mutuel betting~~
2 ~~shall display on video screens the approximate odds or~~
3 ~~approximate will pays on each horse for each race as well as any~~
4 ~~combination of races including, but not limited to, quinellas,~~
5 ~~exactas, perfectas and any other combination or pool of races.~~
6 ~~No display of approximate odds or approximate will pays shall be~~
7 ~~required where the wager is on horses in four or more races,~~
8 ~~such as "Pick 4, Pick 5 or Pick 6." In addition to displaying~~
9 ~~the amount of money wagered, the approximate odds or approximate~~
10 ~~will pays on each horse or combination of horses shall be shown~~
11 ~~on video screens in each wagering division. For trifectas, in~~
12 ~~lieu of odds or approximate will pays, the amount of money being~~
13 ~~wagered on each horse to win in the trifecta pool shall be~~
14 ~~displayed on video screens separately from any other~~
15 ~~information. The above required information shall be displayed~~
16 ~~from the opening of bets or wagering and be continually~~
17 ~~displayed until the wagering is closed. At least one video~~
18 ~~screen in each wagering division shall display the amount of~~
19 ~~money wagered on each horse involved in any trifecta pool.~~
20 ~~Section 234. Simulcasting.~~

21 ~~The State Horse Racing Commission and the State Harness~~
22 ~~Racing Commission shall only permit intrastate simulcasting of~~
23 ~~live racing between two licensed corporations when each~~
24 ~~continues to schedule 95% of the total number of horse or~~
25 ~~harness racing days scheduled in 1986 at the facility where each~~
26 ~~said licensed corporation conducts its horse or harness racing~~
27 ~~dates, and when the average number of live horse or harness~~
28 ~~races per race day equals 90% of the average number of live~~
29 ~~horse or harness races conducted per day in 1985 at the facility~~
30 ~~where each said licensed corporation conducts its horse or~~

~~1 harness racing dates, subject to any actions or activities
2 beyond the control of the licensee: Provided, however, That for
3 any licensed corporation that was granted a permanent license
4 for horse racing and operating at a facility where the average
5 daily handle at the facility at which the licensed corporation
6 conducts racing dates is less than \$150,000 in any calendar year
7 after 1985, the State Horse Racing Commission may permit
8 intrastate simulcasting when the licensed corporation first
9 schedules a minimum of 50 racing days in the calendar year in
10 which it wishes to simulcast. A newly licensed corporation
11 racing at the facility may be permitted to intrastate simulcast
12 by the State Horse Racing Commission when it first schedules at
13 least 50 racing dates in the year in which it wishes to
14 simulcast. If a newly licensed corporation is awarded harness or
15 horse racing dates after 1987 and races those dates at a horse
16 or harness racing facility existing in 1987, other than a
17 facility whose average daily handle is less than \$150,000, the
18 respective commissions shall not permit intrastate simulcasting
19 unless the same number of horse or harness dates scheduled at
20 that facility in 1987 are scheduled at that facility in the year
21 that the corporation wishes to simulcast subject to any actions
22 or activities beyond the control of the licensees (i.e. act of
23 God, strike). For a licensed corporation awarded racing dates at
24 a facility which did not conduct horse or harness racing prior
25 to 1987, the respective commissions may permit intrastate
26 simulcasting if the licensed corporation is the only corporation
27 operating that facility when that corporation first schedules a
28 minimum of 125 days of racing dates in the calendar year in
29 which it wishes to simulcast or when more than one such
30 corporation is awarded dates for racing at the same facility~~

~~1 when those corporations first schedule a minimum of 200 days of
2 racing in the calendar year in which they wish to simulcast. For
3 purposes of this section a racing day shall consist of a minimum
4 of eight live races, except at thoroughbred tracks on Breeders'
5 Cup Event Day. For any licensed racing corporation engaged in
6 simulcasting, regardless of location or distance from another
7 licensed racing corporation, there shall exist a written
8 agreement with the horsemen's organization representing a
9 majority of the owners and trainers at both the sending and
10 receiving racetracks. If no agreement can be reached, then the
11 licensed corporation may petition the court of common pleas in
12 the county in which the licensed corporation racetrack is
13 located, which may, upon good cause shown by the licensed
14 corporation that failure to consent would be detrimental to the
15 Pennsylvania racing industry, direct the organization
16 representing the horsemen to approve the simulcast agreement.
17 The respective commission may then authorize the simulcasting,
18 if, in the opinion of the appropriate commission, such
19 simulcasting will have significant value to the Pennsylvania
20 racing industry. The simulcast signal shall be encoded, and the
21 racetrack receiving the simulcast signal shall not send this
22 signal anywhere other than public locations authorized under
23 section 218 or 218 A. All forms of pari mutuel wagering
24 described in section 221 shall be allowed on races to be
25 televised by simulcasting under this section. The State Horse
26 Racing Commission and the State Harness Racing Commission may
27 promulgate regulations on wagering and the operation of these
28 races. All money wagered by patrons on these races shall be
29 computed in the amount of money wagered each racing day for
30 purposes of taxation under section 222. In the event the~~

~~1 simulcast is between a thoroughbred racetrack and a harness
2 racetrack, both commissions shall have jurisdiction, and any
3 approval required hereunder must be received from both
4 commissions: Provided, however, That if no agreement can be
5 reached between the horsemen's organization aforementioned, then
6 the licensed corporation may petition the court of common pleas
7 in the county in which the licensed corporation racetrack is
8 located, which may, upon good cause shown by the licensed
9 corporation that failure to consent would be detrimental to the
10 Pennsylvania racing industry, direct the organization
11 representing the horsemen to approve the simulcast agreement.
12 The respective commissions may then authorize the simulcasting
13 if, in the opinions of the respective commission, such
14 simulcasting will have a significant value to the Pennsylvania
15 racing industry. The provisions of this section with regard to
16 the required number of racing days may be waived or modified by
17 the applicable commission if the waiver or modification has been
18 consented to by the horsemen's organization representing a
19 majority of the owners and trainers at the racetrack where the
20 racing days are to be scheduled or raced.~~

~~21 Section 235. Commingling.~~

~~22 (a) This section shall be applicable only to licensed
23 thoroughbred racing corporations.~~

~~24 (b) The race secretary shall receive entries and
25 declarations as an agent for the licensed corporation for which
26 the race secretary acts. The race secretary or an individual
27 designated by the licensed corporation may receive stakes,
28 forfeits, entrance money, jockey's and other fees, purchase
29 money in claiming races and other money that can properly come
30 into his possession as an agent for the licensed corporation for~~

1 ~~which the race secretary or designee is acting.~~

2 ~~(c) A licensed corporation shall maintain a separate~~
3 ~~account, called a Horsemen's Account. Money owing to owners in~~
4 ~~regard to purses, stakes, rewards, claims and deposits shall be~~
5 ~~deposited into the Horsemen's Account. Funds in the account~~
6 ~~shall be recognized and denominated as being the sole property~~
7 ~~of owners. Deposited funds may not be commingled with funds of~~
8 ~~the licensed corporation unless a licensed corporation has~~
9 ~~established, in favor of the organization which represents a~~
10 ~~majority of the owners and trainers racing with the licensed~~
11 ~~corporation, an irrevocable clean letter of credit with an~~
12 ~~evergreen clause. The minimum amount of the credit must be the~~
13 ~~greater of \$1,000,000 or 110% of the highest monthly balance in~~
14 ~~the Horsemen's Account in the immediate prior year. To calculate~~
15 ~~the monthly balance in the Horsemen's Account, the sum of the~~
16 ~~daily balances shall be divided by the number of days in the~~
17 ~~month. The evergreen clause must provide that, 30 days prior to~~
18 ~~the expiration of the letter of credit, the financial~~
19 ~~institution can elect not to renew the letter of credit; that,~~
20 ~~upon this election, the financial institution must notify the~~
21 ~~designee of the organization which represents a majority of the~~
22 ~~owners and trainers racing with the licensed corporation, by~~
23 ~~registered mail, return receipt requested, of the election not~~
24 ~~to renew; and that the financial institution will honor the~~
25 ~~letter of credit for six months after expiration. Purse money~~
26 ~~earned by owners shall be deposited by the licensed corporation~~
27 ~~in the Horsemen's Account within 48 hours after the result of~~
28 ~~the race in which the money was earned has been declared~~
29 ~~official and the purse has been released by the commission.~~

30 ~~(d) A licensed corporation shall designate a bookkeeper who~~

1 ~~is authorized to receive and disburse funds from the Horsemen's~~
2 ~~Account. The bookkeeper must be bonded to provide indemnity for~~
3 ~~malfeasance, nonfeasance and misfeasance. A certified copy of~~
4 ~~the bond shall be filed with the commission.~~

5 ~~(e) The Horsemen's Account and the investment and deposit~~
6 ~~schedules relating to the account are subject to examination, at~~
7 ~~reasonable times, by a designee of the organization which~~
8 ~~represents a majority of the owners and trainers racing with the~~
9 ~~licensed corporation and by the commission. The bookkeeper shall~~
10 ~~provide each owner with access, at reasonable times during a~~
11 ~~racing day, to the amount of funds in the Horsemen's Account~~
12 ~~credited to that owner. At the close of a race meeting, the~~
13 ~~bookkeeper shall mail to each owner a record of deposits,~~
14 ~~withdrawals and transfers affecting the amount of funds in the~~
15 ~~Horsemen's Account credited to that owner.~~

16 ~~(f) The Horsemen's Account shall be audited periodically as~~
17 ~~deemed appropriate by the commission. There shall be at least~~
18 ~~one audit per year. Monthly statements shall be provided to the~~
19 ~~designee of the organization which represents a majority of the~~
20 ~~owners and trainers racing with the licensed corporation.~~

21 ~~(g) Fifty percent of the money earned as interest on funds~~
22 ~~in the Horsemen's Account shall be paid to the organization~~
23 ~~which represents a majority of the owners and trainers racing~~
24 ~~with the licensed corporation on a weekly basis. This amount~~
25 ~~shall be for the benefit of the horsemen as determined by the~~
26 ~~organization which represents the majority of the owners and~~
27 ~~trainers racing with the licensed corporation. The remaining 50%~~
28 ~~of the interest earned shall be for the benefit of the licensed~~
29 ~~corporation which shall have the responsibility to fund all~~
30 ~~costs associated with the administration of the fund. Interest~~

1 ~~each month must be earned in an amount equal to the Federal~~
2 ~~Reserve Discount Rate on the first day of the month.~~

3 ~~Section 236. Harness racing purse moneys.~~

4 ~~Each licensed harness horse racing association must place on~~
5 ~~deposit with the State Harness Racing Commission by March 1 of~~
6 ~~each year an irrevocable letter of credit equivalent to its~~
7 ~~average weekly purse total from the immediate prior year. The~~
8 ~~commission shall hold the letter of credit in trust for the~~
9 ~~harness horsemen racing at that licensed corporation in the~~
10 ~~event that purse checks are not issued or that insufficient~~
11 ~~funds are available to cover the purse checks.~~

12 ~~Section 237. Limitations on day and night racing.~~

13 ~~(a) For the purpose of this section day racing shall be~~
14 ~~racing days for which the starting time for the first race is at~~
15 ~~or before 2:00 p.m., and night racing shall be racing days for~~
16 ~~which the starting time for the first race is after 5:00 p.m.~~
17 ~~Day racing may not be conducted at any racing facility after~~
18 ~~1985 on any comparable type racing day or holiday on which day~~
19 ~~racing was not conducted in 1985 unless all presently operating~~
20 ~~licensed corporations conducting day racing agree, in writing,~~
21 ~~to allow such day racing activities.~~

22 ~~(b) Night racing may not be conducted at any racing facility~~
23 ~~after 1985 on any comparable type racing night or holiday on~~
24 ~~which night racing was not conducted in 1985 unless all~~
25 ~~presently operating racing facilities conducting night racing~~
26 ~~agree, in writing, to allow night racing activities.~~

27 ~~(c) Each appropriate commission shall have the authority to~~
28 ~~grant exceptions to this section upon application by a licensed~~
29 ~~racing corporation for not more than five racing days per~~
30 ~~calendar year with respect to each licensed corporation. The~~

1 ~~provisions of this section shall be effective until July 1,~~
2 ~~1991.]~~

3 ~~Section 3. The act is amended by adding a chapter to read:~~

4 ~~CHAPTER 2 A~~

5 ~~RACING OVERSIGHT~~

6 ~~Section 201 A. Bureau of Horse Racing.~~

7 ~~(a) Establishment. The Bureau of Horse Racing is~~
8 ~~established within the board to oversee day to day operations of~~
9 ~~horse racing and pari mutuel operations.~~

10 ~~(b) Jurisdiction. The board shall have jurisdiction and~~
11 ~~supervisory authority over the following:~~

12 ~~(1) Pari mutuel horse racing activities in this~~
13 ~~Commonwealth.~~

14 ~~(2) A licensed corporation engaged in pari mutuel horse~~
15 ~~racing activities.~~

16 ~~(3) Out of competition drug testing, which shall include~~
17 ~~the random drug testing of all horses entered in a race,~~
18 ~~stabled on the grounds or shipped into a licensed~~
19 ~~corporation's facility.~~

20 ~~(c) Records. The board shall maintain at its office the~~
21 ~~following:~~

22 ~~(1) All books, maps, documents and papers entrusted to~~
23 ~~the board's care.~~

24 ~~(2) A docket setting forth the names of all stockholders~~
25 ~~in all corporations licensed under this act. The docket shall~~
26 ~~be open for public inspection.~~

27 ~~(3) The number of shares held by each stockholder and~~
28 ~~the date on which each shareholder acquired stock in the~~
29 ~~licensed corporation.~~

30 ~~(d) Rules and regulations. The following shall apply:~~

1 ~~(1) All rules and regulations promulgated under the~~
2 ~~former act of December 11, 1967 (P.L.707, No.331), referred~~
3 ~~to as the Pennsylvania Thoroughbred Horse Racing Law, or the~~
4 ~~former act of December 22, 1959 (P.L.1978, No.728), referred~~
5 ~~to as the Pennsylvania Harness Racing Law, shall remain in~~
6 ~~effect except to the extent that they are in direct conflict~~
7 ~~with this act. The board may amend, revise or alter the rules~~
8 ~~and regulations as the board deems necessary.~~

9 ~~(2) In order to facilitate the prompt implementation of~~
10 ~~this chapter, the board may promulgate temporary regulations~~
11 ~~which shall expire no later than two years following the~~
12 ~~effective date of this chapter. The board may promulgate~~
13 ~~temporary regulations not subject to:~~

14 ~~(i) Sections 201, 202 and 203 of the act of July 31,~~
15 ~~1968 (P.L.769, No.240), referred to as the Commonwealth~~
16 ~~Documents Law.~~

17 ~~(ii) The act of June 25, 1982 (P.L.633, No.181),~~
18 ~~known as the Regulatory Review Act.~~

19 ~~(c) Licenses. All licenses issued prior to January 1, 2014,~~
20 ~~shall remain in effect for the remainder of the term for which~~
21 ~~the licenses were issued unless revoked or suspended. After the~~
22 ~~licenses have expired, all renewals or new licenses shall be~~
23 ~~issued under this act. All renewals shall be subject to and made~~
24 ~~consistent with the requirements of 4 Pa.C.S. § 1326 (relating~~
25 ~~to license renewals).~~

26 ~~Section 202 A. Additional powers.~~

27 ~~The board shall supervise horse racing at which pari-mutuel~~
28 ~~wagering is conducted and approve the number of racing days~~
29 ~~allocated by each licensed corporation. In addition to any other~~
30 ~~powers of the board:~~

1 ~~(1) The board shall promulgate both temporary and~~
2 ~~permanent regulations regarding medication rules.~~

3 ~~(2) The board may establish a general promotion and~~
4 ~~marketing program and contract to implement the program to~~
5 ~~assist the licensed corporations in increasing their~~
6 ~~attendance and average daily handle. The board may impose a~~
7 ~~surcharge of up to 1.5% on all purses awarded to a horseman's~~
8 ~~organization which shall be used exclusively for the~~
9 ~~promotion and marketing of racing.~~

10 ~~(3) Except as otherwise provided under this paragraph,~~
11 ~~two years following the effective date of this section, the~~
12 ~~board may, through temporary and permanent regulations,~~
13 ~~increase each year any fee, charge, cost or administrative~~
14 ~~penalty provided in this chapter. The increase may not exceed~~
15 ~~the annual cost of living adjustment calculated by applying~~
16 ~~the percentage change in the consumer price index for all~~
17 ~~urban consumers for the Pennsylvania, New Jersey, Delaware~~
18 ~~and Maryland area for the most recent 12 month period for~~
19 ~~which figures have been officially reported by the United~~
20 ~~States Department of Labor, Bureau of Labor Statistics,~~
21 ~~immediately prior to the date the adjustment is due to take~~
22 ~~effect. This paragraph shall not apply to the costs of drug~~
23 ~~testing under section 304.~~

24 ~~(4) The board shall annually submit a budget proposal~~
25 ~~for the enforcement of this act to the General Assembly.~~

26 ~~Section 202.1 A. Payment.~~

27 ~~The rules of the board shall provide that a winning pari-~~
28 ~~mutuel ticket must be presented for payment before April 1 of~~
29 ~~the year following the year of purchase. Failure to present the~~
30 ~~ticket within the prescribed period of time shall constitute a~~

1 ~~waiver of the right to participate in the award. After April 1-~~
2 ~~of the year following, a licensed corporation shall forward the~~
3 ~~remaining funds held for uncashed tickets to the Department of~~
4 ~~Revenue. The funds shall be deposited into the State Racing~~
5 ~~Fund. If it is shown to the satisfaction of the board and the~~
6 ~~Department of Revenue, through substantiated and recorded data,~~
7 ~~that the reason for the pari mutuel ticket or tickets being~~
8 ~~outstanding and unclaimed is loss, misplacement or theft within~~
9 ~~the confines and control of the pari mutuel department of a~~
10 ~~licensed corporation and it is shown to the satisfaction of the~~
11 ~~board and the Department of Revenue that the pari mutuel ticket~~
12 ~~or tickets in question have been cashed by the pari mutuel~~
13 ~~department, the Department of Revenue, with the approval of the~~
14 ~~board, may adjust and credit the licensed corporation's~~
15 ~~outstanding ticket account accordingly on March 31 of the year~~
16 ~~following the year of purchase or after a complete audit of the~~
17 ~~outstanding ticket accounts has been performed. The licensed~~
18 ~~corporation shall reimburse an employee who has been held~~
19 ~~personally accountable and paid for the lost, misplaced or~~
20 ~~stolen ticket.~~

21 ~~Section 203 A. License.~~

22 ~~After January 1, 2015, a corporation shall conduct a horse~~
23 ~~racing meeting at the location designated, as approved by the~~
24 ~~board pursuant to 4 Pa.C.S. §§ 1302 (relating to Category 1 slot~~
25 ~~machine license) and 1303 (relating to to additional Category 1~~
26 ~~slot machine license requirements).~~

27 ~~Section 204 A. (Reserved).~~

28 ~~Section 205 A. Number of horse racing corporations.~~

29 ~~(a) Harness horse racing. No more than four corporations~~
30 ~~shall be licensed by the board to conduct a pari mutuel meet. No~~

~~1 corporation licensed under this act to conduct harness horse
2 racing with pari-mutuel wagering shall be licensed to conduct
3 thoroughbred horse racing with pari-mutuel wagering.~~

~~4 (b) Thoroughbred horse racing. No more than three
5 corporations shall be licensed by the board to conduct a pari-
6 mutuel meet. No corporation licensed under this act to conduct
7 thoroughbred horse racing with pari-mutuel wagering shall be
8 licensed to conduct harness horse racing with pari-mutuel
9 wagering.~~

~~10 Section 206 A. Department of Revenue.~~

~~11 The Department of Revenue shall provide financial
12 administration of pari-mutuel wagering under this act. The
13 Department of Revenue shall continue to prescribe the form and
14 the system of accounting to be employed by the licensed
15 corporation, and may access and examine equipment relating to
16 pari-mutuel wagering.~~

~~17 Section 207 A. Allocation of racing days.~~

~~18 (a) General rule. Racing shall be conducted consistent with
19 4 Pa.C.S. § 1303 (relating to additional category 1 slot machine
20 license requirements).~~

~~21 (b) Certification. The board shall submit to the Secretary
22 of Revenue the approved number of racing days for each licensed
23 corporation, including the following information:~~

~~24 (1) the names and addresses of the corporations;~~

~~25 (2) the names and addresses of the officers and general
26 managers of the corporations; and~~

~~27 (3) any other information the board deems appropriate.~~

~~28 (c) Cancellation. If a racing day is canceled by a licensed
29 corporation for reasons beyond the licensed corporation's
30 control, the board shall grant the licensed corporation the~~

1 ~~right to conduct that racing day in the same or the next ensuing~~
2 ~~calendar year, if schedules permit.~~

3 ~~Section 208 A. Fee for racetrack admissions.~~

4 ~~(a) General rule.~~

5 ~~(1) Each corporation holding a horse racing meeting~~
6 ~~under this act shall remit to the Department of Revenue a fee~~
7 ~~equal to 50¢ for each individual who attended the horse~~
8 ~~racing meeting. The amount collected shall be deposited into~~
9 ~~the State Racing Fund.~~

10 ~~(2) Nothing under this section shall apply to a racing~~
11 ~~meeting conducted by a State, county or other agricultural~~
12 ~~association.~~

13 ~~(b) Investigation. The Department of Revenue may examine~~
14 ~~books and records of the corporation conducting a horse racing~~
15 ~~meeting and may hear testimony and take proofs and material or~~
16 ~~any other data for the Department of Revenue's information. The~~
17 ~~Department of Revenue may create an account for the tax due the~~
18 ~~State, with the expense of the examination. A penalty of 5% and~~
19 ~~interest at the rate of 1% per month from the due date to the~~
20 ~~date of payment of the tax shall be payable if tax imposed under~~
21 ~~this section is not paid when due.~~

22 ~~Section 209 A. Licenses for horse racing meetings.~~

23 ~~(a) Procedure and terms.~~

24 ~~(1) After January 1, 2014, a corporation desiring to~~
25 ~~conduct horse racing meetings for which a Category 1 license~~
26 ~~has been issued and at which pari mutuel wagering is~~
27 ~~permitted may apply to the board for a license or a renewal~~
28 ~~of any existing license.~~

29 ~~(2) A license holder shall have the privilege to conduct~~
30 ~~a horse racing meeting at which pari mutuel wagering is~~

1 ~~permitted, but shall not have a property right.~~

2 ~~(3) The board may revoke or suspend the license of a~~
3 ~~corporation if the board finds that the corporation, its~~
4 ~~officers, employees or agents, has not complied with the~~
5 ~~provisions of this act.~~

6 ~~(4) A license may not be transferred without the~~
7 ~~approval of the board.~~

8 ~~(b) Conditions. Each license shall be issued upon the~~
9 ~~following conditions:~~

10 ~~(1) A horse racing meeting at which pari mutuel wagering~~
11 ~~is conducted shall be subject to the supervision of the~~
12 ~~board.~~

13 ~~(2) Pari mutuel wagering conducted shall be subject to~~
14 ~~the supervision of the Department of Revenue.~~

15 ~~(3) The corporation posts a bond or irrevocable letter~~
16 ~~of credit payable to the board in an amount equal to the sum~~
17 ~~of the corporation's average weekly payment of the pari~~
18 ~~mutuel tax, during active racing, into the State Racing Fund,~~
19 ~~based on revenues generated in the previous year.~~

20 ~~(4) The licensed corporation prints in its racing~~
21 ~~programs the procedure for filing a complaint with the board.~~

22 ~~(c) Applications. Applications for a licensed corporation~~
23 ~~shall be in the form prescribed by the board and shall contain~~
24 ~~information, material or evidence as the board may require.~~

25 ~~(d) Grounds for denial, revocation or suspension. The board~~
26 ~~may refuse to grant, may revoke or may suspend a license to a~~
27 ~~corporation, if it determines that:~~

28 ~~(1) Any officer, director, member or stockholder of the~~
29 ~~corporation applying for a license or of any corporation~~
30 ~~which owns stock in or shares in the profits, or participates~~

1 ~~in the management of the affairs of the applicant, or which~~
2 ~~leases to the applicant the track where it shall operate:~~

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

5 ~~(ii) has engaged in bookmaking or other forms of~~
6 ~~illegal gambling;~~

7 ~~(iii) has been found guilty of any fraud or~~
8 ~~misrepresentation in connection with racing or breeding;~~

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

13 ~~(v) has violated any rule, regulation or order of~~
14 ~~the board.~~

15 ~~(2) The experience, character or fitness of any officer,~~
16 ~~director or stockholder of the licensed corporation is such~~
17 ~~that the participation of the person in horse racing or~~
18 ~~related activities would be inconsistent with the public~~
19 ~~interest, convenience or necessity or with the best interests~~
20 ~~of racing. If the board determines that the interest of any~~
21 ~~stockholder referred to in this paragraph or in paragraph (1)~~
22 ~~is insufficient to affect adversely the conduct of pari~~
23 ~~mutuel horse racing by the corporation in accordance with the~~
24 ~~provisions of this act, the board may disregard the interest~~
25 ~~in determining whether or not to grant a license to the~~
26 ~~corporation.~~

27 ~~(3) The corporation has use of the facility consistent~~
28 ~~with the requirements of 4 Pa.C.S. Pt. II (relating to~~
29 ~~gaming).~~

30 ~~(4) A licensed corporation has commingled horsemen's~~

~~funds in violation of section 235 A(c) or has refused to place on deposit a letter of credit under section 236 A.~~

~~(5) The charter or certificate of incorporation fails to contain a provision requiring any stockholder, upon written demand of the corporation, to sell his stock to the corporation at a price to be fixed by the board, provided the demand be made pursuant to written direction of the board and from the date of the making of the demand prohibiting the transfer of the certificate of stock except to the corporation~~

~~(c) Conditional licenses. Pending final determination of any question under this section, the board may issue a conditional license upon such terms and conditions as they see fit to effectuate the provisions of this act.~~

~~Section 210 A. (Reserved).~~

~~Section 211 A. Financial and employment interests.~~

~~(a) General rule. The board shall ensure that a corporation applying for a license or a licensed corporation complies with the provisions of 4 Pa.C.S. §§ 1512 (relating to financial and employment interests), 1512.1 (relating to additional restrictions) and 1513 (relating to political influence).~~

~~(b) Gifts. No officer or employee of a licensed corporation or their spouses, parents, fathers in law, mothers in law, siblings, sons, daughters, sons in law or daughters in law shall accept gifts from breeders, owners or trainers of horses which participate at the race track.~~

~~Section 212 A. Officials at horse racing meetings.~~

~~At all horse racing meetings, qualified judges and starters shall be approved by the board. For harness horse racing meetings, no person shall be approved as a judge or starter~~

1 ~~unless the person is licensed by the United States Trotting~~
2 ~~Association as a duly qualified pari-mutuel racing meeting~~
3 ~~official. All officials shall enforce the law and shall provide~~
4 ~~written reports of the activities and conduct of such racing~~
5 ~~meetings to the board. The compensation of these judges and~~
6 ~~starters shall be assessed to the board.~~

7 ~~Section 213 A. Licenses for individuals.~~

8 ~~(a) General rule. The board shall license trainers,~~
9 ~~jockeys, drivers, persons participating in horse racing~~
10 ~~meetings, horse owners and all other persons required to be~~
11 ~~licensed as determined by the board. The license does not give~~
12 ~~its holder a property right.~~

13 ~~(b) Fee. The board shall fix and may establish classes of~~
14 ~~licenses for license fees to be paid by persons or corporations~~
15 ~~so licensed, provided that such occupational license fees shall~~
16 ~~not exceed \$1,000. All fees shall be paid to the board and~~
17 ~~deposited into the State Racing Fund.~~

18 ~~(c) Application. The application shall be in the form and~~
19 ~~contain the information as the board may require. Applicants~~
20 ~~shall have their fingerprints taken as part of the background~~
21 ~~investigation. The board may exempt applicants from the~~
22 ~~fingerprint requirement for positions not related to the care or~~
23 ~~training of horses, racing, wagering, security or the management~~
24 ~~operations of the racing corporation or racetrack.~~

25 ~~(d) Duration. All licenses shall be issued for three years~~
26 ~~and shall be renewed, upon payment of the required fee and upon~~
27 ~~compliance with this act.~~

28 ~~(e) Conditional license. The board may establish a~~
29 ~~conditional license and fee valid for four months within a 12-~~
30 ~~month period. No applicant, however, may receive more than one~~

1 ~~conditional license within 12 months of the issuance of the~~
2 ~~applicant's preceding conditional license.~~

3 ~~(f) Processing and issuance. The board shall fix the manner~~
4 ~~by which licenses are processed and issued by rule or~~
5 ~~regulation.~~

6 ~~(g) Denial. The board may refuse to issue a license under~~
7 ~~this section, if they shall find that the applicant:~~

8 ~~(1) Has been convicted of a crime involving moral~~
9 ~~turpitude.~~

10 ~~(2) Has engaged in bookmaking or other form of illegal~~
11 ~~gambling.~~

12 ~~(3) Has been found guilty of any fraud or~~
13 ~~misrepresentation in connection with racing or breeding.~~

14 ~~(4) Has been found guilty of any violation or attempt to~~
15 ~~violate any law, rule or regulation of racing in any~~
16 ~~jurisdiction, for which suspension from racing might be~~
17 ~~imposed in that jurisdiction.~~

18 ~~(5) Has violated any rule, regulation or order of the~~
19 ~~board.~~

20 ~~(6) Has been convicted of an offense relating to fixing~~
21 ~~races.~~

22 ~~(h) Inspection. The board shall have the right to inspect~~
23 ~~all contracts between licensed corporations and vendors for~~
24 ~~goods and services. The board shall require by rule or~~
25 ~~regulation that vendors disclose to the board all principal~~
26 ~~officers and a description of their interests in the vendors'~~
27 ~~business. Failure to properly disclose this information shall~~
28 ~~constitute grounds to deny, to revoke or to suspend any vendor's~~
29 ~~license issued under the provisions of this act.~~

30 ~~(i) Suspension, revocation and refusal to renew. The board~~

1 ~~may suspend, refuse to renew or revoke a license issued under~~
2 ~~this section, if it shall determine that:~~

3 ~~(1) The applicant or licensee:~~

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

6 ~~(ii) has engaged in bookmaking or other form of~~
7 ~~illegal gambling;~~

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

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

14 ~~(v) has violated any rule, regulation or order of~~
15 ~~the board; or~~

16 ~~(vi) has been convicted of a felony offense related~~
17 ~~to the use, possession or sale of drugs or alcohol.~~

18 ~~(2) That the experience, character or general fitness of~~
19 ~~any applicant or licensee is such that the participation of~~
20 ~~the person in horse racing or related activities would be~~
21 ~~inconsistent with the public interest, convenience or~~
22 ~~necessity or with the best interests of racing.~~

23 ~~(3) That the applicant or licensee has been convicted of~~
24 ~~an offense related to fixing races unless the conviction has~~
25 ~~been overturned on appeal under the laws of the jurisdiction~~
26 ~~of the original finding.~~

27 ~~(j) Temporary license. Pending final determination of any~~
28 ~~question under this section, the board may issue a temporary~~
29 ~~license upon such terms and conditions as they may deem~~
30 ~~necessary or proper to effectuate the provisions of this act.~~

1 ~~(k) Hearings. The board may suspend a license under~~
2 ~~subsection (i) pending a hearing on the matter. The hearing must~~
3 ~~take place within ten days of the suspension.~~

4 ~~(l) Reciprocity. The board shall not grant licenses to~~
5 ~~citizens of states that do not grant licenses to citizens of~~
6 ~~this Commonwealth on the basis of in state preference.~~

7 ~~Section 213.1 A. Licenses for advanced deposit wagering,~~
8 ~~totalisator and medication providers.~~

9 ~~The board shall have jurisdiction over the following:~~

10 ~~(1) A person that offers advanced deposit wagering or~~
11 ~~Internet wagering to residents of this Commonwealth,~~
12 ~~regardless of the location of the provider. Any person or~~
13 ~~entity under this paragraph shall be licensed by the board~~
14 ~~and remit an annual license fee not to exceed \$100,000. The~~
15 ~~provider shall certify to the board that it has complied with~~
16 ~~all applicable account wagering tax laws in this Commonwealth~~
17 ~~and submit information on operating systems and procedures as~~
18 ~~required by the board.~~

19 ~~(2) A person that provides totalisator services to a~~
20 ~~racing association located in this Commonwealth, including a~~
21 ~~totalisator company located in this Commonwealth or operating~~
22 ~~from a location outside this Commonwealth. A totalisator~~
23 ~~company under this paragraph shall be licensed by the board~~
24 ~~and remit an annual license fee not to exceed \$100,000. The~~
25 ~~provider shall submit information on operating systems and~~
26 ~~procedures as required by the board.~~

27 ~~(3) A manufacturer, wholesaler, distributor or vendor of~~
28 ~~any equine drug, medication, therapeutic substance or~~
29 ~~metabolic derivative purchased by or delivered to a licensee~~
30 ~~or other person participating in horse racing in this~~

1 ~~Commonwealth by means of Internet, mail delivery, in person~~
2 ~~delivery or other means.~~

3 ~~Section 214 A. Power of board to impose fines.~~

4 ~~(a) General rule. The board is authorized to impose~~
5 ~~administrative fines upon any corporation, association or person~~
6 ~~participating in any way in any horse racing meeting at which~~
7 ~~pari mutuel wagering is conducted, other than as a patron and~~
8 ~~whether licensed by the board or not, for a violation of any~~
9 ~~provision of this act, not exceeding \$100,000 for each~~
10 ~~violation, which fines shall be credited to the State Racing~~
11 ~~Fund and may be appropriated for the enforcement of this act.~~

12 ~~(b) Interests.~~

13 ~~(1) No officer or employee of a licensed corporation or~~
14 ~~their spouses, parents, fathers in law, mothers in law,~~
15 ~~siblings, sons, daughters, sons in law or daughters in law~~
16 ~~shall have any direct or indirect interest in a race horse~~
17 ~~that is participating in a race at a meet at which the person~~
18 ~~or relative listed under this paragraph holds any interest in~~
19 ~~the licensed corporation conducting the meet and the track~~
20 ~~facility.~~

21 ~~(2) The board shall impose a fine upon any person for~~
22 ~~violation of this subsection as provided for under subsection~~
23 ~~(a).~~

24 ~~Section 215 A. Security personnel, powers and duties and~~
25 ~~penalty.~~

26 ~~(a) General rule. The board and any licensed corporations~~
27 ~~are authorized and empowered to employ persons as security~~
28 ~~personnel. The designated persons are also authorized to~~
29 ~~interrogate and eject from the racing meeting grounds or~~
30 ~~enclosure any persons suspected of violating this act.~~

1 ~~(b) Penalty. A person found within a race track enclosure~~
2 ~~after having been refused admission thereto or ejected therefrom~~
3 ~~shall, upon conviction, be guilty of a summary offense and be~~
4 ~~sentenced to pay a fine of not more than \$500.~~

5 ~~Section 216-A. (Reserved).~~

6 ~~Section 216.1 A. Televised international and interstate~~
7 ~~simulcastings of horse races.~~

8 ~~(a) Host licensees. Upon request by a licensed corporation,~~
9 ~~the board may grant permission to maintain common pari mutuel~~
10 ~~pools on international and interstate races transmitted to and~~
11 ~~from the racetrack enclosures within this Commonwealth. The~~
12 ~~licensed corporation shall be designated as the "host licensee."~~
13 ~~All simulcasts of such horse races shall also comply with the~~
14 ~~provisions of the Interstate Horseracing Act of 1978 (Public Law~~
15 ~~95-515, 15 U.S.C. § 3001 et seq.) and all forms of pari mutuel~~
16 ~~wagering, where lawful in each state involved, placed or~~
17 ~~transmitted by an individual in one state via telephone,~~
18 ~~Internet or other electronic media and accepted and maintained~~
19 ~~in common pari mutuel pools. The permission to act as host~~
20 ~~licensee for international and interstate simulcast races shall~~
21 ~~be limited to licensed corporations which comply with 4 Pa.C.S.~~
22 ~~§ 1303(d) (relating to additional Category 1 slot machine~~
23 ~~license requirements).~~

24 ~~(b) Simulcasts. The following apply:~~

25 ~~(1) Cross simulcasting of the races described in~~
26 ~~subsection (a) shall be permitted if all amounts wagered on~~
27 ~~the races in this Commonwealth are included in common pari~~
28 ~~mutuel pools. A host licensee seeking permission to cross~~
29 ~~simulcast must obtain approval from the board. Simulcasts of~~
30 ~~horse races shall also comply with the provisions of the~~

1 ~~Interstate Horseracing Act of 1978.~~

2 ~~(2) Forms of pari mutuel wagering shall be allowed on~~
3 ~~horse races to be televised by simulcasting. The board may~~
4 ~~permit pari mutuel pools in this Commonwealth to be combined~~
5 ~~with pari mutuel pools created under the laws of another~~
6 ~~jurisdiction and may permit pari mutuel pools created under~~
7 ~~the laws of another jurisdiction to be combined with pari~~
8 ~~mutuel pools in this Commonwealth. The board may promulgate~~
9 ~~regulations necessary to regulate wagering on televised~~
10 ~~simulcasts.~~

11 ~~(c) Taxation. Money wagered by patrons in this Commonwealth~~
12 ~~on the horse races shall be computed by the amount of money~~
13 ~~wagered each racing day for purposes of taxation under section~~
14 ~~222 A. Thoroughbred races shall be considered a part of a~~
15 ~~thoroughbred horse racing meeting and harness horse races shall~~
16 ~~be considered a part of a harness horse racing meeting for~~
17 ~~purposes of section 222 A(b) (5).~~

18 ~~Section 217 A. (Reserved).~~

19 ~~Section 218.1 A. Place and manner of conducting pari mutuel~~
20 ~~wagering.~~

21 ~~(a) Wagering location. A licensed corporation shall provide~~
22 ~~a location during a horse racing meeting within the racetrack~~
23 ~~enclosure where the licensed corporation shall operate the pari~~
24 ~~mutuel system of wagering by its patrons on the results of horse~~
25 ~~races held at the meetings or televised to the racetrack~~
26 ~~enclosure by simulcasting, as set forth under section 216.1 A.~~
27 ~~The licensed corporation shall erect a sign or board compatible~~
28 ~~with the totalisator systems upon which shall be displayed all~~
29 ~~of the following:~~

30 ~~(1) The approximate straight odds on each horse in any~~

1 ~~race.~~

2 ~~(2) The value of a winning mutuel ticket, straight,~~
3 ~~place or show on the first three horses in the race.~~

4 ~~(3) The elapsed time of the race.~~

5 ~~(4) The value of a winning daily double ticket, if a~~
6 ~~daily double be conducted, and any other information that the~~
7 ~~board may deem necessary for the guidance of the general~~
8 ~~public.~~

9 ~~(a.1) Equipment. The board may test and examine the~~
10 ~~equipment to be used for the display of the information in~~
11 ~~subsection (a) (1), (2), (3) and (4).~~

12 ~~(b) Advanced deposit wagering and Internet wagering. Upon~~
13 ~~request by any licensed corporation, the board may grant~~
14 ~~permission to the licensed corporation to operate advanced~~
15 ~~deposit wagering or Internet wagering on horse racing only, in~~
16 ~~accordance with all of the following:~~

17 ~~(1) Messages to place wagers must be to a place within~~
18 ~~the racetrack enclosure.~~

19 ~~(2) Money used to place such wagers must be on deposit~~
20 ~~in an amount sufficient to cover the wager at the racetrack~~
21 ~~where the account is opened.~~

22 ~~The board may promulgate regulations necessary to regulate~~
23 ~~advanced deposit wagering and Internet wagering for horse racing~~
24 ~~only.~~

25 ~~(c) Taxation. Money wagered as a result of advanced deposit~~
26 ~~wagering or Internet wagering shall be included in the amount~~
27 ~~wagered each racing day for purposes of taxation under section~~
28 ~~222 A and shall be included in the same pari mutuel pools for~~
29 ~~each posted race. Advanced deposit wagering or Internet wagering~~
30 ~~shall be operated by the licensed corporations or by a duly~~

1 ~~licensed vendor.~~

2 ~~(d) Conditions. A licensed corporation shall only accept~~
3 ~~and tabulate a wager by a direct request via telephone, Internet~~
4 ~~or other electronic media from the holder of an advanced deposit~~
5 ~~wagering or Internet wagering account. Only the holder of the~~
6 ~~advanced deposit wagering or Internet wagering account shall~~
7 ~~place a wager. Any person who violates this subsection commits a~~
8 ~~misdemeanor of the first degree.~~

9 ~~(e) Primary market area. A licensed corporation may not~~
10 ~~accept a wager nor establish advanced deposit wagering or~~
11 ~~Internet wagering for any person located in the primary market~~
12 ~~area of a racetrack, other than the racetrack at which the~~
13 ~~licensed corporation is conducting a racing meet. Nothing in~~
14 ~~this subsection shall be construed to prohibit the licensed~~
15 ~~corporation from accepting a wager from, or establishing an~~
16 ~~advanced deposit wagering or Internet wagering account for any~~
17 ~~person located in the primary market area of the track where the~~
18 ~~licensed corporation is conducting a meet. If two tracks share~~
19 ~~primary market area, both tracks shall have equal rights to the~~
20 ~~market in the shared area.~~

21 ~~(f) Definitions. The following words and phrases when used~~
22 ~~in this section shall have the meanings given to them in this~~
23 ~~subsection, unless the context clearly indicates otherwise:~~

24 ~~"Primary market area of a racetrack." The land area included~~
25 ~~in a circle drawn with the racetrack as the center and a radius~~
26 ~~of 35 air miles.~~

27 ~~"Secondary market area of a racetrack." The land area~~
28 ~~included in a circle drawn with the racetrack as the center and~~
29 ~~a radius of 50 air miles, but not including the primary market~~
30 ~~area of the racetrack.~~

~~Section 218.2 A. Pari mutuel wagering at nonprimary locations.~~

~~(a) Nonprimary locations. The following shall apply:~~

~~(1) Notwithstanding any other provisions of this act, on or after January 2014, upon approval by the board, a licensed corporation may continue to operate a nonprimary location where it has conducted pari mutuel wagering on horse races conducted by the licensed corporation. The licensed corporation may continue to conduct pari mutuel wagering at the location on horse races conducted by another licensed corporation, which horse races may be televised to the location or on horse races simulcast to the location under section 216 A, provided that:~~

~~(i) A licensed corporation has not established a nonprimary location within the primary market area of any racetrack other than a racetrack where the licensed corporation conducts racing meetings. Establishment of a nonprimary location by a licensed corporation within the primary market area of a racetrack where the licensed corporation conducts racing meetings shall require approval of the board regulating the activities of the licensed corporation.~~

~~(ii) A licensed corporation has not established a nonprimary location within the secondary market area of a racetrack if the nonprimary location is approved by the board.~~

~~(iii) A licensed corporation has not established a nonprimary location in an area outside the primary and secondary market areas of any racetrack if the location is approved by the board.~~

~~(2) Except as provided under paragraph (1), no~~

1 ~~additional licenses shall be permitted.~~

2 ~~(b) Intent of nonprimary locations. The following apply:~~

3 ~~(1) (Reserved).~~

4 ~~(2) (Reserved).~~

5 ~~(3) The board shall annually conduct inspections of the~~
6 ~~primary facility.~~

7 ~~(4) The rights, duties and obligations of the board~~
8 ~~shall apply to nonprimary locations and any employees or~~
9 ~~vendors of the licensed corporation establishing the~~
10 ~~nonprimary location.~~

11 ~~(c) Taxation and records. Money wagered at all primary and~~
12 ~~nonprimary locations under this act shall be included in common~~
13 ~~pari mutuel pools. Money wagered by patrons on the races shall~~
14 ~~be computed by the amount of money wagered each racing day for~~
15 ~~purposes of taxation under section 222 A. The licensed~~
16 ~~corporation conducting the racing meeting and maintaining the~~
17 ~~pari mutuel pools shall maintain accurate records of the amount~~
18 ~~wagered in each pool from every primary and nonprimary location.~~

19 ~~(d) Retention. The retained money as provided for in~~
20 ~~section 222 A(e) shall be calculated for each location where~~
21 ~~pari mutuel wagering is being conducted. If wagering has taken~~
22 ~~place at a nonprimary location where the wagering is conducted~~
23 ~~by a licensed corporation other than the licensed corporation~~
24 ~~conducting the racing meeting, the licensed corporation~~
25 ~~conducting the racing meeting shall retain any money to which it~~
26 ~~is entitled by agreement. The licensed corporation conducting~~
27 ~~the meeting shall pay over the balance of the retained money to~~
28 ~~the licensed corporation conducting the wagering at the~~
29 ~~nonprimary location.~~

30 ~~(e) Payment of purses. A licensed corporation conducting a~~

1 ~~racetrack where pari-mutuel wagering is conducted at one or~~
2 ~~more nonprimary locations shall distribute to the horsemen's~~
3 ~~organization representing a majority of owners and trainers at~~
4 ~~its racetrack, or in accordance with the practice of the~~
5 ~~parties, to be used for payment of purses at that racetrack, as~~
6 ~~follows:~~

7 ~~(1) Except as provided for in paragraphs (2), (3), (4)~~
8 ~~and (5), an amount equal to but not less than 6% of the daily~~
9 ~~gross wagering handle on the races at a nonprimary location.~~

10 ~~(2) When the gross wagering handle on the races at a~~
11 ~~nonprimary location on a given day is less than \$30,000, the~~
12 ~~percentage may not be less than 3%.~~

13 ~~(3) When the gross wagering handle on the races at a~~
14 ~~nonprimary location on a given day is between \$30,000 and~~
15 ~~\$75,000 inclusive, the percentage may not be less than 4.75%.~~

16 ~~(4) Whenever a nonprimary location is within the primary~~
17 ~~market area of a licensed corporation other than the licensed~~
18 ~~corporation conducting the races, the applicable percentage~~
19 ~~shall be distributed one-half to the horsemen's organization~~
20 ~~representing a majority of owners and trainers at the~~
21 ~~racetrack or in accordance with the practice of the parties.~~

22 ~~(5) Where the racing meeting is being conducted to be~~
23 ~~used for the payment of purses at the racetrack and one-half~~
24 ~~to the horsemen's organization, or in accordance with the~~
25 ~~practice of the parties, at the racetrack within the primary~~
26 ~~market area to be used for the payment of purses at the~~
27 ~~racetrack.~~

28 ~~Nothing in this subsection shall be construed to prevent a~~
29 ~~licensed corporation from agreeing to distribute amounts greater~~
30 ~~than the percentages set forth in this subsection. However, if~~

1 ~~no alternative agreement has been reached, the total percentage~~
2 ~~paid for purses under this subsection shall be in accordance~~
3 ~~with the minimum percentages set forth in this subparagraph.~~

4 ~~(f) Other payments. Notwithstanding any other provision of~~
5 ~~this act, a nonprimary location may be established within the~~
6 ~~primary market area of a racetrack by agreement between the~~
7 ~~licensed corporation and the horsemen's organization~~
8 ~~representing a majority of the owners and trainers at the~~
9 ~~racetrack specifying the total percentage of handle wagered at~~
10 ~~the nonprimary location to be distributed to the horsemen's~~
11 ~~organization, or in accordance with the practice of the parties,~~
12 ~~to be used for the payment of purses at that racetrack. If no~~
13 ~~agreement is reached covering the locations, the total~~
14 ~~percentage to be paid for purses shall be the same as that~~
15 ~~applied to on track wagering at the racetrack located within the~~
16 ~~primary market area.~~

17 ~~(g) Definitions. The following words and phrases when used~~
18 ~~in this section shall have the meanings given to them in this~~
19 ~~subsection, unless the context clearly indicates otherwise:~~

20 ~~"Primary market area of a racetrack." The land area included~~
21 ~~in a circle drawn with the racetrack as the center and a radius~~
22 ~~of 35 air miles.~~

23 ~~"Secondary market area of a racetrack." The land area~~
24 ~~included in a circle drawn with the racetrack as the center and~~
25 ~~a radius of 50 air miles, but not including the primary market~~
26 ~~area of the racetrack.~~

27 ~~Section 219 A. Books and records of pari mutuel wagering.~~

28 ~~Every Category 1 licensed facility that conducts a horse~~
29 ~~racing meeting at which pari mutuel wagering is authorized,~~
30 ~~shall keep books and records so as to clearly show by separate~~

1 ~~record the total amount of money contributed to every pari-~~
2 ~~mutuel pool. The Department of Revenue or its authorized-~~
3 ~~representative shall have access to all books and records for-~~
4 ~~the purpose of examining the same and ascertaining whether the-~~
5 ~~proper amount due to the State is being paid by the licensed-~~
6 ~~corporation.~~

7 ~~Section 220 A. Filing of certain agreements with the board.~~

8 ~~A corporation licensed to conduct horse racing meetings where-~~
9 ~~pari mutuel wagering is permitted shall promptly after entering-~~
10 ~~any lease agreement concerning any concession, labor management-~~
11 ~~relation, hiring of designated classes of officers, employees or-~~
12 ~~contractors specified by the board or any other contract or-~~
13 ~~agreement as the board may prescribe, file with the board a true-~~
14 ~~and correct copy.~~

15 ~~Section 221 A. Retention percentages for pari mutuel pools.~~

16 ~~(a) Distribution. A licensed corporation shall distribute-~~
17 ~~the money in any pari mutuel pool to the holders of winning-~~
18 ~~tickets under the following requirements:~~

19 ~~(1) all tickets shall be presented for payment before-~~
20 ~~the first day of April of the year following the year of-~~
21 ~~their purchase;~~

22 ~~(2) (i) seventeen percent of the money plus the-~~
23 ~~breakage from regular wagering pools shall be retained by-~~
24 ~~the licensed corporations for further distribution under-~~
25 ~~section 222 A;~~

26 ~~(ii) nineteen percent of the money plus the breakage-~~
27 ~~from regular wagering pools from licensed corporations-~~
28 ~~whose total deposits in all pari mutuel pools averaged-~~
29 ~~less than \$300,000 per racing day for their previous-~~
30 ~~meeting at the same facility shall be retained by the-~~

~~licensed corporations for further distribution under
section 222 A;~~

~~(iii) twenty percent of the money plus the breakage
from the exacta, daily double, quinella and other
wagering pools involving two horses each racing day shall
be retained by the licensed corporations for further
distribution under section 222 A; or~~

~~(iv) at least 26% but no more than 35% of the money
plus the breakage from the trifecta or other wagering
pools involving more than two horses in one or more races
each racing day shall be retained by the licensed
corporations for further distribution under section
222 A;~~

~~(3) except as provided for in section 222 A(d.1), a
corporation may retain less than 17%, 19% or 20% of the money
in the wagering pools under subparagraphs (i), (ii) and (iii)
or less than 26% of the money in the wagering pools under
subparagraph (iv) upon approval from the board;~~

~~(4) every corporation may retain more than 25% but no
more than 35% of the money in the wagering pools under
subparagraph (iv) upon approval from the board; and~~

~~(5) all money remaining in the wagering pools described
under paragraphs (2), (3) and (4) shall be distributed to the
holders of winning tickets.~~

~~(b) Definition. As used in this section, the term
"breakage" shall mean the odd cents of redistributions to be
made on contributions to pari mutuel pools exceeding a sum equal
to the next lowest multiple of ten.~~

~~Section 222 A. Distribution of money retained from pari mutuel
pools and taxation.~~

1 ~~(a) Fund. There is hereby established the State Racing Fund~~
2 ~~in the State Treasury. A licensed corporation that conducts~~
3 ~~horse racing meetings shall pay a tax through the Department of~~
4 ~~Revenue for credit to the State Racing Fund. The tax imposed on~~
5 ~~the licensed corporation shall be a percentage tax of 1.5% on~~
6 ~~the amount wagered each racing day and be paid from the money~~
7 ~~retained under section 221 A.~~

8 ~~(a.1) Payment periods. At the close of each day of racing,~~
9 ~~a corporation licensed to conduct horse racing meetings shall~~
10 ~~pay out of the money retained on that day under section 221 A,~~
11 ~~through the Department of Revenue for credit to the State Racing~~
12 ~~Fund.~~

13 ~~(b) Distribution. The board shall appropriate money in the~~
14 ~~State Racing Fund in the following manner:~~

15 ~~(1) An amount equivalent to 1% of the amount wagered~~
16 ~~each racing day at thoroughbred horse racing meetings shall~~
17 ~~be paid by the board from the State Racing Fund through the~~
18 ~~Department of Revenue for credit to the Pennsylvania Breeding~~
19 ~~Fund.~~

20 ~~(2) An amount equivalent to 1.5% of the amount wagered~~
21 ~~each racing day at harness horse racing meetings shall be~~
22 ~~paid by the board from the State Racing Fund through the~~
23 ~~Department of Revenue for credit to the Pennsylvania Sire~~
24 ~~Stakes Fund.~~

25 ~~(c) Breakage for horse racing meetings. All breakage~~
26 ~~retained under section 221 A by licensed corporations that~~
27 ~~conduct horse racing meetings shall be distributed in the~~
28 ~~following manner:~~

29 ~~(1) Seventy five percent of the breakage shall be paid~~
30 ~~to the Department of Revenue for credit to the State Racing~~

1 Fund.

2 ~~(2) Twenty five percent of the breakage shall be~~
3 ~~retained by the licensed corporations to be used solely for~~
4 ~~purses to the horsemen. All breakage money due licensed~~
5 ~~corporations for the purses for claiming and nonclaiming~~
6 ~~races under this paragraph but not expended as a result of a~~
7 ~~race cancellation shall be carried forward to the next~~
8 ~~succeeding meet by the licensed corporations to be used for~~
9 ~~claiming and nonclaiming races which restrict entry to~~
10 ~~Pennsylvania sired horses under the provisions of this~~
11 ~~paragraph.~~

12 ~~(d) State Racing Fund. An amount equivalent to 1% of the~~
13 ~~amount wagered at each racing day at horse racing meetings as~~
14 ~~set forth in section 221 A(a) (4) and (5) shall be paid through~~
15 ~~the Department of Revenue for credit to the State Racing Fund.~~

16 ~~(e) Remaining money. All remaining money retained under~~
17 ~~section 221 A and not distributed under the preceding~~
18 ~~subsections shall be kept by the licensed corporations.~~

19 Section 223 A. Pennsylvania Breeding Fund.

20 ~~(a) Establishment. There is hereby created a restricted~~
21 ~~account in the State Racing Fund to be known as the Pennsylvania~~
22 ~~Breeding Fund which shall consist of the money deposited under~~
23 ~~the provisions of section 222 A and which shall be administered~~
24 ~~by the board.~~

25 ~~(b) Awards from the Pennsylvania Breeding Fund. The board~~
26 ~~shall provide for awards as follows:~~

27 ~~(1) An award of 30% of the purse earned by every~~
28 ~~registered Pennsylvania bred thoroughbred racing horse sired~~
29 ~~by a registered Pennsylvania sire at the time of conception~~
30 ~~of the registered Pennsylvania bred thoroughbred horse, or an~~

1 ~~award of 20% of the purse earned by every registered~~
2 ~~Pennsylvania bred thoroughbred horse sired by a nonregistered~~
3 ~~sire, which finishes first, second or third in any race~~
4 ~~conducted by a licensed corporation under this act shall be~~
5 ~~paid to the breeder of said registered Pennsylvania bred~~
6 ~~thoroughbred horse. A single award under this paragraph may~~
7 ~~not exceed 1% of the total annual fund money.~~

8 ~~(2) An award of 10% of the purse earned by any~~
9 ~~Pennsylvania bred thoroughbred horse which finishes first,~~
10 ~~second or third in any race conducted by a licensed~~
11 ~~corporation under this act shall be paid to the owner of the~~
12 ~~registered Pennsylvania sire which regularly stood in~~
13 ~~Pennsylvania at the time of conception of said Pennsylvania~~
14 ~~bred thoroughbred horse. A single award under this paragraph~~
15 ~~may not exceed 0.5% of the total annual fund money.~~

16 ~~(3) An award of 10% of the purse earned by any~~
17 ~~registered Pennsylvania bred thoroughbred horse which~~
18 ~~finishes first in any race conducted by a licensed~~
19 ~~corporation under this act not restricting entry to~~
20 ~~registered Pennsylvania bred thoroughbred horses shall be~~
21 ~~paid to the licensed owner of said registered Pennsylvania~~
22 ~~bred thoroughbred horse at the time of winning. A single~~
23 ~~award under this paragraph may not exceed 0.5% of the total~~
24 ~~annual fund money.~~

25 ~~(c) Purses for Pennsylvania Breeding Fund stakes races. Up~~
26 ~~to one fifth of the total of the estimated fund money remaining~~
27 ~~each year after the deduction of expenses related to the~~
28 ~~administration and development of the Pennsylvania Breeding Fund~~
29 ~~program and the payment of breeder, stallion and owner awards,~~
30 ~~shall be divided among the licensed corporations that conduct~~

1 ~~thoroughbred horse racing meetings in direct proportion to the~~
2 ~~rate by which each licensed corporation generated the fund money~~
3 ~~during the previous year to be used solely for purses for~~
4 ~~Pennsylvania Breeding Fund stakes races which restrict entry to~~
5 ~~registered Pennsylvania bred thoroughbred horses.~~

6 ~~(d) Remaining funds. The fund money remaining following~~
7 ~~disbursements as directed in subsection (b) (1), (2) and (3) and~~
8 ~~subsection (c) shall be divided among the licensed corporations~~
9 ~~that conduct thoroughbred horse racing meetings in direct~~
10 ~~proportion to the rate by which each licensed corporation~~
11 ~~generated the fund money during the previous year to be used for~~
12 ~~purses as follows:~~

13 ~~(1) Claiming and nonclaiming Pennsylvania Breeding Fund~~
14 ~~races which restrict entry to registered Pennsylvania bred~~
15 ~~thoroughbred horses.~~

16 ~~(2) Claiming and nonclaiming Pennsylvania Breeding Fund~~
17 ~~races which prefer registered Pennsylvania bred thoroughbred~~
18 ~~horses as starters. In these races, should eight or more~~
19 ~~registered Pennsylvania bred horses pass the entry box, the~~
20 ~~race shall be considered closed to horses other than~~
21 ~~registered Pennsylvania bred thoroughbred horses.~~

22 ~~(c) Funds not expended. Pennsylvania Breeding Fund money~~
23 ~~due licensed corporations, as outlined in subsections (c) and~~
24 ~~(d), but not expended during the calendar year may be carried~~
25 ~~forth in the fund on the account of the licensed corporations to~~
26 ~~be expended during the succeeding year in addition to the~~
27 ~~corporations' fund money annually due them for purses.~~

28 ~~(f) Pennsylvania Horse Breeders' Association. The board may~~
29 ~~contract with the Pennsylvania Horse Breeders' Association as~~
30 ~~the sole responsible body for the registration and records of~~

~~1 Pennsylvania bred horses. The Pennsylvania Horse Breeders'
2 Association shall advise the board when called upon and shall
3 determine the qualifications for Pennsylvania bred thoroughbred
4 horses and Pennsylvania sires. Its registration and record facts
5 are hereby declared as official Pennsylvania records. At the
6 close of each calendar year, the Pennsylvania Horse Breeders'
7 Association, through the Pennsylvania Breeding Fund Advisory
8 Committee, shall submit to the board for its approval an
9 itemized budget of projected expenses for the ensuing year
10 relating to the administration and development of the
11 Pennsylvania Breeding Fund program. The board, on no more than a
12 quarterly basis, shall reimburse from the fund the Pennsylvania
13 Horse Breeders' Association for those expenses actually incurred
14 in the administration and development of the Pennsylvania
15 Breeding Fund program.~~

~~16 Section 224 A. Pennsylvania Sire Stakes Fund.~~

~~17 (a) Establishment. There is created a restricted account in
18 the State Racing Fund to be known as the Pennsylvania Sire
19 Stakes Fund which shall consist of the money appropriated under
20 the provisions of section 222 A and which shall be administered
21 by the board.~~

~~22 (b) Distribution and use of funds. Funds shall be
23 distributed as follows:~~

~~24 (1) Sixty percent of the money remaining in the excess
25 fund account of the Pennsylvania Sire Stakes Fund at the end
26 of the calendar year in which this subsection is enacted
27 shall be distributed to licensed corporations that conduct
28 harness horse racing meetings to be used in the next
29 succeeding calendar year as purse money for Pennsylvania
30 sired horses. The remaining 40% of the money in the excess~~

~~fund account at the end of the calendar year of the enactment of this subsection, together with the interest earned on that money, shall be distributed to licensed corporations that conduct harness horse racing meetings to be used in the next succeeding calendar year following the next succeeding calendar year as purse money for Pennsylvania sired horses.~~

~~(2) After deduction of sufficient funds to cover the board's cost of administration, 80% of all remaining money in the Pennsylvania Sire Stakes Fund at the end of the calendar year shall be distributed to licensed corporations that conduct harness horse racing meetings to be used as purse money for Pennsylvania sired horses. The board may then allocate up to a total of and not exceeding 40% of the total amount to be distributed to licensed corporations in a calendar year for use for a series of championship final races at the race tracks of licensed corporations that conduct harness horse racing meetings. The board shall allocate the money to these championship final races in an equal amount for each sex, age and gait for two year old and three year old trotters and pacers. The board shall determine conditions establishing eligibility to these final events. No pari mutuel harness track shall be awarded more than 50% of the championship final races in any calendar year. The board shall schedule these final events so as to evenly alternate classes at each race track each year. After the allocation for the championship final races has been determined, the remaining funds to be distributed to licensed corporations that conduct harness horse racing meetings shall be divided equally among the licensed corporations. Each licensed corporation shall divide the funds received equally for each~~

1 of:

2 ~~(i) four two year old races; one pace for colts, one~~
3 ~~pace for fillies, one trot for colts and one trot for~~
4 ~~fillies; and~~

5 ~~(ii) four three year old races; one pace for colts,~~
6 ~~one pace for fillies, one trot for colts and one trot for~~
7 ~~fillies.~~

8 ~~(c) Purse money. Each allotment shall provide purse money~~
9 ~~for the respective races. The purse money shall be in addition~~
10 ~~to any entry fees or other funds available.~~

11 ~~(d) Entry restriction. Entry for these races shall be~~
12 ~~limited to harness horses which were sired by a standardbred~~
13 ~~stallion regularly standing in Pennsylvania and each race shall~~
14 ~~be designated a Pennsylvania sire stakes race. The board shall~~
15 ~~make the provisions and regulations as it shall deem necessary~~
16 ~~for the proper administration of the entry restriction.~~

17 ~~Section 225 A. Fair Fund proceeds.~~

18 ~~The Secretary of Agriculture shall distribute certain money~~
19 ~~in the Fair Fund annually, on or before March 1, for~~
20 ~~reimbursement for each county agricultural society and each~~
21 ~~independent agricultural society conducting harness horse racing~~
22 ~~during its annual fair, other than races for two year old and~~
23 ~~three year old colts and fillies, an amount of money equal to~~
24 ~~that used during their annual fair as purse money for harness~~
25 ~~horse racing, track and stable maintenance, starting gate rental~~
26 ~~and the cost of all harness horse racing officials required~~
27 ~~during their annual fair. The reimbursement amount may not be~~
28 ~~more than \$13,000, a minimum of \$4,000 of which must be used for~~
29 ~~purse money and the balance of the allotment per fair, not used~~
30 ~~for purse money over the minimum \$4,000 allotment, shall be used~~

~~1 for the specific purposes referenced above or otherwise the
2 allotment shall be retained in the fund. The Department of
3 Agriculture shall cause to be carried out as its responsibility
4 a yearly inspection of each track facility and shall advise each
5 operating fair of track maintenance which is necessary to ensure
6 adequate racing surface during the course of scheduled fairs and
7 racing events. If it is the opinion of the Department of
8 Agriculture that the fair society or event sponsor is not
9 adequately financing track maintenance through its permissible
10 reimbursement under this paragraph, the board shall so surcharge
11 the Fair Fund account of the fair society or event sponsor to
12 effectuate the remediation.~~

~~13 Section 226 A. Hearing of refusal or revocation of license.~~

~~14 If the board refuses to grant any license applied for under
15 this act, or shall revoke or suspend any license granted, the
16 applicant or licensee may demand, within ten days after notice
17 of the decision of the board, a hearing before the board. The
18 provisions of 2 Pa.C.S. Chs. 5 Subch. A (relating to practice
19 and procedure) and 7 Subch. A (relating to judicial review)
20 shall apply.~~

~~21 Section 227 A. (Reserved).~~

~~22 Section 228 A. Prohibition of wagering by certain officials,
23 employees and minors.~~

~~24 No deputy, officer, representative, employee or counsel of
25 the board shall wager upon the outcome of any horse race
26 conducted at a track at which pari mutuel wagering is conducted
27 by any licensed corporation of the board. No licensed
28 corporation shall permit any person who is actually and
29 apparently under 18 years of age to wager at a racing meeting
30 conducted by the corporation. No licensed corporation shall~~

~~1 permit any person who is under 18 years of age to attend a horse
2 racing meeting conducted by the corporation unless the person is
3 accompanied by a parent or guardian. This section shall not be
4 construed to prohibit persons under 18 years of age, who are
5 legally employed, from being upon the race track premises for
6 the sole purpose of engaging in the performance of their duties
7 as employees. The board shall, by rule, provide for enforcement
8 of this section.~~

~~9 Section 229 A. State horse racing and harness horse racing
10 veterinarians and State stewards.~~

~~11 (a) General rule. The board shall have the authority to
12 contract with licensed veterinarians and stewards to serve at
13 each meeting conducted by a corporation licensed by the board.
14 The board shall have the authority to employ other individuals
15 as shall be necessary to carry out the responsibilities of this
16 section.~~

~~17 (b) Costs and compensation. The costs and compensation of
18 the horse racing veterinarians, State stewards and other
19 individuals employed shall be fixed and paid by the board.~~

~~20 (c) Steward requirements. The board shall establish a job
21 description and professional criteria for stewards to assure
22 that they have a working knowledge of the horse racing industry.~~

~~23 Section 230 A. (Reserved).~~

~~24 Section 231 A. Free passes, cards or badges.~~

~~25 (a) Issuance. A licensed corporation may not issue a free
26 pass, card or badge, without admission tax except to:~~

~~27 (1) an officer, employee or shareholder of the
28 corporation conducting the racing meeting;~~

~~29 (2) a member, officer or employee of the board;~~

~~30 (3) a member of a horse racing association of another~~

1 ~~state or foreign country;~~

2 ~~(4) a public officer engaged in the performance of his~~
3 ~~duty;~~

4 ~~(5) a person employed and accredited by the press to~~
5 ~~attend the meeting; or~~

6 ~~(6) an owner, stable manager, trainer, jockey,~~
7 ~~concessionary or other person whose duties require a presence~~
8 ~~at the race track.~~

9 ~~(b) Promotions and discounts. The board may allow a~~
10 ~~licensed corporation to issue a free pass, card or badge for a~~
11 ~~special promotional program and seasonal discount ticket~~
12 ~~program, so long as the corporation obtained approval from the~~
13 ~~board. The admission tax under section 208 A must be imposed on~~
14 ~~the price of the seasonal discount tickets sold by a licensed~~
15 ~~corporation.~~

16 ~~(c) Rules and regulations. The issuance of tax free passes,~~
17 ~~cards or badges must be under the rules and regulations of the~~
18 ~~board.~~

19 ~~(d) List. Except persons admitted under an approved special~~
20 ~~promotional program or seasonal discount ticket program, a list~~
21 ~~of the persons to whom a free pass, card or badge is issued must~~
22 ~~be filed with the board.~~

23 ~~Section 232 A. (Reserved).~~

24 ~~Section 233 A. Monitoring of wagering on video screens.~~

25 ~~A corporation licensed to conduct pari-mutuel betting shall~~
26 ~~display on video screens the approximate odds or approximate~~
27 ~~will pays on each horse for each race as well as a combination~~
28 ~~of races including, but not limited to, quinellas, exactas,~~
29 ~~perfectas and any other combination or pool of races. A display~~
30 ~~of approximate odds or approximate will pays is not required~~

1 ~~where the wager is on horses in four or more races, such as~~
2 ~~"Pick 4, Pick 5 or Pick 6." In addition to displaying the amount~~
3 ~~of money wagered, the approximate odds or approximate will pays~~
4 ~~on each horse or combination of horses must be shown on video~~
5 ~~screens in each wagering division. For trifectas, in lieu of~~
6 ~~odds or approximate will pays, the amount of money being wagered~~
7 ~~on each horse to win in the trifecta pool must be displayed on~~
8 ~~video screens separately from any other information. The above~~
9 ~~required information must be displayed from the opening of bets~~
10 ~~or wagering and be continually displayed until the wagering is~~
11 ~~closed. At least one video screen in each wagering division~~
12 ~~shall display the amount of money wagered on each horse involved~~
13 ~~in a trifecta pool.~~

14 ~~Section 234 A. Simulcasting.~~

15 ~~(a) General rule. The board shall permit intrastate~~
16 ~~simulcasting of live racing.~~

17 ~~(b) Simulcast signal. The simulcast signal shall be~~
18 ~~encoded, and the racetrack receiving the simulcast signal may~~
19 ~~not send the signal anywhere other than a public location~~
20 ~~authorized under section 218.1 A or 218.2 A.~~

21 ~~(c) Forms of pari mutuel wagering. The forms of pari mutuel~~
22 ~~wagering described in section 221 A are allowed on a race to be~~
23 ~~televised by simulcasting under this section.~~

24 ~~(d) Regulations. The board may promulgate regulations on~~
25 ~~wagering and the operation of a race.~~

26 ~~(e) Computation of money wagered. The money wagered by a~~
27 ~~patron on a race must be computed in the amount of money wagered~~
28 ~~each racing day for purposes of taxation under section 222 A.~~

29 ~~(f) Between thoroughbred and harness horse racetracks. If a~~
30 ~~simulcast is between a thoroughbred racetrack and a harness~~

~~1 horse racetrack, the board has jurisdiction. An approval
2 required under this section must be received from the board,
3 provided that if an agreement is not reached between the
4 organization representing the horsemen, the licensed corporation
5 may petition the court of common pleas in the county in which
6 the licensed corporation racetrack is located. The court of
7 common pleas may direct the organization representing the
8 horsemen to approve the simulcast agreement upon good cause
9 shown by the licensed corporation that failure to consent would
10 be detrimental to the Pennsylvania racing industry. The board
11 may then authorize the simulcasting if the simulcasting will
12 have a significant value to the Pennsylvania racing industry.~~

~~13 (g) Definition. As used in this section, the term "racing
14 day" consists of a minimum of eight live races, except at
15 thoroughbred tracks on Breeders' Cup Event Day.~~

~~16 Section 235 A. Commingling.~~

~~17 (a) Applicability. This section is applicable only to
18 licensed thoroughbred racing corporations.~~

~~19 (b) Race secretary. The race secretary shall receive
20 entries and declarations as an agent for the licensed
21 corporation for which the race secretary acts. The race
22 secretary or an individual designated by the licensed
23 corporation may receive stakes, forfeits, entrance money, jockey
24 fees and other fees, purchase money in claiming races and other
25 money that can properly come into the race secretary's
26 possession as an agent for the licensed corporation for which
27 the race secretary or designee is acting.~~

~~28 (c) Horsemen's Account. A licensed corporation shall
29 maintain a separate account, called a Horsemen's Account. Money
30 owed to owners in regard to purses, stakes, rewards, claims and~~

~~1 deposits shall be deposited into the Horsemen's Account. Funds
2 in the account are recognized and denominated as being the sole
3 property of owners. Deposited funds may not be commingled with
4 funds of the licensed corporation unless a licensed corporation
5 established an irrevocable clean letter of credit with an
6 evergreen clause in favor of the organization which represents a
7 majority of the owners and trainers racing with the licensed
8 corporation. The minimum amount of the credit must be the
9 greater of \$1,000,000 or 110% of the highest monthly balance in
10 the Horsemen's Account in the immediate prior year. To calculate
11 the monthly balance in the Horsemen's Account, the sum of the
12 daily balances shall be divided by the number of days in the
13 month. The evergreen clause must provide that:~~

~~14 (1) thirty days prior to the expiration of the letter of
15 credit, the financial institution can elect not to renew the
16 letter of credit;~~

~~17 (2) upon an election under paragraph (1), the financial
18 institution must notify the designee of the organization that
19 represents a majority of the owners and trainers racing with
20 the licensed corporation, by registered mail, return receipt
21 requested, of the election not to renew; and~~

~~22 (3) the financial institution will honor the letter of
23 credit for six months after expiration.~~

~~24 Purse money earned by owners shall be deposited by the licensed
25 corporation in the Horsemen's Account within 48 hours after the
26 result of the race in which the money was earned has been
27 declared official and the purse has been released by the board.~~

~~28 (d) Bookkeeper. A licensed corporation shall designate a
29 bookkeeper who is authorized to receive and disburse funds from
30 the Horsemen's Account. The bookkeeper must be bonded to provide~~

1 ~~indemnity for malfeasance, nonfeasance and misfeasance. A~~
2 ~~certified copy of the bond shall be filed with the board.~~

3 ~~(e) Examination, access and records. The Horsemen's Account~~
4 ~~and the investment and deposit schedules relating to the account~~
5 ~~are subject to examination, at reasonable times, by a designee~~
6 ~~of the organization which represents a majority of the owners~~
7 ~~and trainers racing with the licensed corporation and by the~~
8 ~~board. The bookkeeper shall provide each owner with access, at~~
9 ~~reasonable times during a racing day, to the amount of funds in~~
10 ~~the Horsemen's Account credited to that owner. At the close of a~~
11 ~~horse racing meeting, the bookkeeper shall mail to each owner a~~
12 ~~record of deposits, withdrawals and transfers affecting the~~
13 ~~amount of funds in the Horsemen's Account credited to that~~
14 ~~owner.~~

15 ~~(f) Auditing and monthly statements. The Horsemen's Account~~
16 ~~shall be audited periodically as deemed appropriate by the~~
17 ~~board. There shall be at least one audit per year. Monthly~~
18 ~~statements shall be provided to the designee of the organization~~
19 ~~which represents a majority of the owners and trainers racing~~
20 ~~with the licensed corporation.~~

21 ~~(g) Interest. Fifty percent of the money earned as interest~~
22 ~~on funds in the Horsemen's Account shall be paid to the~~
23 ~~organization that represents a majority of the owners and~~
24 ~~trainers racing with the licensed corporation on a weekly basis.~~
25 ~~The amount is for the benefit of the horsemen as determined by~~
26 ~~the organization that represents the majority of the owners and~~
27 ~~trainers racing with the licensed corporation. The remaining 50%~~
28 ~~of the interest earned is for the benefit of the licensed~~
29 ~~corporation that has the responsibility to fund the costs~~
30 ~~associated with the administration of the fund. Interest each~~

1 ~~month must be earned in an amount equal to the Federal Reserve~~
2 ~~Discount Rate on the first day of the month.~~

3 ~~Section 236 A. Harness horse racing purse money.~~

4 ~~A licensed harness horse racing association must place on~~
5 ~~deposit with the board by March 1 of each year an irrevocable~~
6 ~~letter of credit equivalent to its average weekly purse total~~
7 ~~from the immediate prior year. The board shall hold the letter~~
8 ~~of credit in trust for the harness horsemen racing at that~~
9 ~~licensed corporation if the purse checks are not issued or~~
10 ~~insufficient funds are available to cover the purse checks.~~

11 ~~Section 237 A. (Reserved).~~

12 ~~Section 238 A. Agricultural society horse racing.~~

13 ~~The Department of Agriculture shall have jurisdiction over~~
14 ~~and shall promulgate regulations for the proper administration~~
15 ~~of horse racing conducted by a county agricultural society or an~~
16 ~~independent agricultural society, as provided for under section~~
17 ~~5(1)(iii) and (iv) of the act of July 8, 1986 (P.L.437, No.92),~~
18 ~~known as the Pennsylvania Agricultural Fair Act.~~

19 ~~Section 4. Section 301 of the act is amended to read:~~

20 ~~Section 301. Mandatory requirements for medication rules.~~

21 ~~(a) [The commissions shall have in effect at all times when]~~
22 ~~When a licensed corporation conducts a horse racing meeting with~~
23 ~~pari mutuel wagering the board shall have in effect rules or~~
24 ~~regulations to control the use and administration of any~~
25 ~~medication and the use and administration of any device that~~
26 ~~affects the performance of a race horse. The [commissions] board~~
27 ~~may establish permitted tolerance levels and therapeutic dose~~
28 ~~allowances for all medication to be used or administered to a~~
29 ~~race horse.~~

30 ~~(b) The [commissions] board shall establish in their rules~~

1 ~~or regulations penalty provisions for the violation of these~~
2 ~~rules or regulations.~~

3 ~~Section 5. Section 302(a) and (c) of the act, amended May~~
4 ~~16, 1986 (P.L.205, No.63), are amended to read:~~

5 ~~Section 302. Establishment of the Pennsylvania Race Horse~~
6 ~~Testing Program.~~

7 ~~(a) There is hereby established the Pennsylvania Race Horse~~
8 ~~Testing Program. The program shall be administered by [a~~
9 ~~management committee composed of the two chairpersons of the~~
10 ~~commissions, the Secretary of Agriculture and two persons~~
11 ~~appointed by the Governor. One person appointed by the Governor~~
12 ~~must be a doctor of veterinary medicine or a veterinary medical~~
13 ~~doctor and a member of the faculty of a school of veterinary~~
14 ~~medicine located within this Commonwealth and the other person~~
15 ~~must be employed within the private sector and have a background~~
16 ~~in biological and/or chemical laboratory management. The program~~
17 ~~is placed in and made a part of the Department of Agriculture]~~
18 ~~the board. All costs of the program shall be paid by the~~
19 ~~[commissions] fees collected under section 304. [Subject to all~~
20 ~~provisions of the act of April 9, 1929 (P.L.177, No.175), known~~
21 ~~as "The Administrative Code of 1929," that apply to the~~
22 ~~department, the management committee shall appoint and direct~~
23 ~~all personnel as necessary, establish a facility or contract for~~
24 ~~the provision of testing services, acquire all necessary~~
25 ~~equipment and supplies and adopt all necessary procedures.]~~

26 ~~* * *~~

27 ~~[(c) In order to evaluate the effectiveness of testing~~
28 ~~services performed by personnel of the Department of Agriculture~~
29 ~~and determine whether the manner in which these services are~~
30 ~~provided, the tests utilized and tolerance levels permitted~~

1 ~~should be modified, the commissions shall equally fund a~~
2 ~~contracted evaluation of existing laboratory services to be~~
3 ~~conducted by a nongovernmental entity with documented expertise~~
4 ~~to accurately evaluate existing laboratory services and~~
5 ~~formulate recommendations for improvement of the testing~~
6 ~~program. Upon review of the evaluation results, the department~~
7 ~~may implement in consultation with the management committee a~~
8 ~~program to improve laboratory services, including, if necessary~~
9 ~~and appropriate, the selection of a contractor or contractors to~~
10 ~~provide testing services. This study shall be completed on or~~
11 ~~before January 1, 1987, and copies provided to the Governor, the~~
12 ~~President pro tempore of the Senate, the Speaker of the House of~~
13 ~~Representatives and the members of the State Government~~
14 ~~Committees of the Senate and the House of Representatives within~~
15 ~~15 working days.]~~

16 Section 6. ~~Section 304 of the act is amended to read:~~

17 ~~Section 304. Costs of the enforcement of the medication rules~~
18 ~~or regulations.~~

19 ~~{All costs for the collection and testing samples for any~~
20 ~~manner of medication shall be paid by the commissions.} The~~
21 ~~board shall establish a fee schedule to be charged to horse~~
22 ~~owners for costs of the collections and testing for any manner~~
23 ~~of medication rules or regulation enforcement. The costs of~~
24 ~~collections and testing shall include the equipment, supplies~~
25 ~~and facilities, except holding barns or stables, to be located~~
26 ~~at race horse meeting facilities, grounds or enclosures or at~~
27 ~~other locations designated by the board, which shall be~~
28 ~~published in the Pennsylvania Bulletin and shall be in effect 60~~
29 ~~days after being published.~~

30 Section 7. ~~This act shall take effect in 60 days.~~

1 SECTION 1. SECTION 102 OF THE ACT OF DECEMBER 17, 1981
2 (P.L.435, NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM ACT,
3 AMENDED OR ADDED MAY 16, 1986 (P.L.205, NO.63) AND NOVEMBER 30,
4 1988 (P.L.1090, NO.127), IS AMENDED TO READ:

5 SECTION 102. DEFINITIONS.

6 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
7 HAVE, UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, THE
8 MEANINGS GIVEN TO THEM IN THIS SECTION:

9 "AIR MILE." A UNIT OF DISTANCE EQUAL TO 1,852 KILOMETERS OR
10 5,280 FEET FOR PURPOSES OF THIS ACT.

11 "BOARD." THE PENNSYLVANIA GAMING CONTROL BOARD.

12 "BUREAU." THE BUREAU OF HORSE RACING.

13 "BUSINESS ENTITY." A PERSON, CORPORATION, BUSINESS TRUST,
14 ESTATE, LIMITED LIABILITY PARTNERSHIP OR OTHER FORM OF LEGAL
15 BUSINESS ENTITY.

16 "CLEAN LETTER OF CREDIT." A LETTER OF CREDIT WHICH IS
17 AVAILABLE TO THE BENEFICIARY AGAINST PRESENTATION OF ONLY A
18 DRAFT OR RECEIPT.

19 ["COMMISSIONS." THE STATE HORSE RACING COMMISSION AND THE
20 STATE HARNESS RACING COMMISSION.

21 "COMMISSIONERS." THE PERSONS APPOINTED BY THE GOVERNOR AND
22 CONFIRMED BY THE SENATE WHO SERVE ON THE STATE HORSE RACING
23 COMMISSION OR THE STATE HARNESS RACING COMMISSION AND WHO
24 ADMINISTER THE APPLICABLE PROVISIONS OF THIS ACT.]

25 "EVERGREEN CLAUSE." A TERM IN A LETTER OF CREDIT PROVIDING
26 FOR AUTOMATIC RENEWAL OF THE LETTER OF CREDIT.

27 "HARNESS HORSE RACING." A FORM OF STANDARD BRED HORSE RACING
28 IN WHICH THE HORSES PARTICIPATING ARE ATTACHED "IN HARNESSES" TO
29 A SULKY OR OTHER SIMILAR VEHICLE, AT A SPECIFIC GAIT, EITHER A
30 TROT OR PACE, AND THE VEHICLE IS BEING DRIVEN BY A PERSON.

1 "HORSE RACING." HARNESS HORSE RACING AND THOROUGHBRED HORSE
2 RACING.

3 "HORSEMAN'S ORGANIZATION." A TRADE ASSOCIATION WHICH
4 REPRESENTS THE MAJORITY OF OWNERS AND TRAINERS WHO OWN AND RACE
5 HORSES AT A LICENSED RACETRACK.

6 "IRREVOCABLE CLEAN LETTER OF CREDIT." A CLEAN LETTER OF
7 CREDIT WHICH CANNOT BE CANCELED OR AMENDED UNLESS THERE IS AN
8 AGREEMENT TO CANCEL OR AMEND AMONG ALL PARTIES TO THE LETTER OF
9 CREDIT.

10 "LICENSED [CORPORATIONS] BUSINESS ENTITY." THE [CORPORATIONS
11 THAT HAVE] BUSINESS ENTITY THAT HAS OBTAINED A LICENSE FROM
12 [EITHER] THE FORMER STATE HORSE RACING COMMISSION [OR THE], THE
13 FORMER STATE HARNESS RACING COMMISSION OR THE BOARD TO CONDUCT
14 [THOROUGHBRED OR HARNESS] HORSE RACE MEETINGS [RESPECTIVELY]
15 WITH PARI-MUTUEL WAGERING.

16 "NONPRIMARY LOCATION." ANY FACILITY IN WHICH PARI-MUTUEL
17 WAGERING IS CONDUCTED PURSUANT TO THIS ACT OTHER THAN THE
18 PRIMARY RACETRACK LOCATION.

19 "NONPRIMARY LOCATION STATEMENT." THE WRITTEN STATEMENT
20 PURSUANT TO THIS ACT SUBMITTED TO THE APPROPRIATE COMMISSION BY
21 A LICENSED CORPORATION PLANNING TO ESTABLISH A NONPRIMARY
22 LOCATION.

23 "PRIMARY MARKET AREA OF A RACETRACK." THE LAND AREA INCLUDED
24 IN A CIRCLE DRAWN WITH THE RACETRACK AS THE CENTER AND A RADIUS
25 OF 35 AIR MILES.

26 "RACETRACK." THE PHYSICAL FACILITY WHERE A LICENSED
27 CORPORATION CONDUCTS THOROUGHBRED OR HARNESS RACE MEETINGS
28 RESPECTIVELY WITH PARI-MUTUEL WAGERING.

29 "RACETRACK ENCLOSURE." FOR PURPOSES OF THIS ACT, THE TERM
30 "RACETRACK ENCLOSURE," WITH RESPECT TO EACH LICENSED

1 CORPORATION, SHALL BE DEEMED TO INCLUDE AT LEAST ONE PRIMARY
2 RACETRACK LOCATION AT WHICH HORSE [RACE] RACING MEETINGS
3 AUTHORIZED TO BE HELD BY THE LICENSED [CORPORATION] BUSINESS
4 ENTITIES ARE CONDUCTED, AND ALL PRIMARY, NONPRIMARY, CONTIGUOUS
5 AND NONCONTIGUOUS LOCATIONS OF THE LICENSED [CORPORATION]
6 BUSINESS ENTITY WHICH ARE SPECIFICALLY APPROVED BY THE
7 [APPROPRIATE COMMISSION] BOARD FOR CONDUCTING THE PARI-MUTUEL
8 SYSTEM OF WAGERING ON THE RESULTS OF HORSE [RACES] RACING HELD
9 AT SUCH MEETINGS OR [RACE] RACING MEETINGS CONDUCTED BY ANOTHER
10 LICENSED [CORPORATION] BUSINESS ENTITY OR TELEVISED TO SUCH
11 LOCATIONS BY SIMULCASTING.

12 "SECONDARY MARKET AREA OF A RACETRACK." THE LAND AREA
13 INCLUDED IN A CIRCLE DRAWN WITH THE RACETRACK AS THE CENTER AND
14 A RADIUS OF 50 AIR MILES, NOT INCLUDING THE PRIMARY MARKET AREA
15 OF THE RACETRACK.

16 "SIMULCAST." THE TRANSMISSION OF LIVE ELECTRONICALLY
17 TELEVISED VIDEO/AUDIO RACES FROM THE HOST RACETRACK TO THE RACE
18 TRACK RECEIVING THE TELEVISION TRANSMISSION.

19 "THOROUGHBRED HORSE RACING." THE FORM OF HORSE RACING IN
20 WHICH EACH PARTICIPATING HORSE IS MOUNTED BY A JOCKEY, IS DULY
21 REGISTERED WITH THE JOCKEY CLUB OF NEW YORK AND ENGAGES IN HORSE
22 RACING, WHICH MAY INCLUDE A STEEPLECHASE OR HURDLE RACE.

23 "TOTALISATOR." A COMPUTER SYSTEM USED TO POOL WAGERS, RECORD
24 SALES, CALCULATE PAYOFFS AND DISPLAY WAGERING DATA ON A DISPLAY
25 DEVICE THAT IS LOCATED AT A PARI-MUTUEL FACILITY OR NONPRIMARY
26 LOCATION.

27 SECTION 2. CHAPTER 2 OF THE ACT IS REPEALED:

28 [CHAPTER 2

29 STATE HORSE RACING COMMISSION AND STATE HARNESS

30 RACING COMMISSION

1 SECTION 201. ESTABLISHMENT OF THE COMMISSIONS.

2 (A) THE STATE HORSE RACING COMMISSION IS HEREBY ESTABLISHED
3 AS A DEPARTMENTAL ADMINISTRATIVE COMMISSION WITHIN THE
4 DEPARTMENT OF AGRICULTURE. THE COMMISSION SHALL HAVE GENERAL
5 JURISDICTION OVER ALL PARI-MUTUEL THOROUGHBRED HORSE RACING
6 ACTIVITIES IN THE COMMONWEALTH AND THE CORPORATIONS ENGAGED
7 THEREIN. FOR THE PURPOSES OF THIS ACT, "THOROUGHBRED HORSE
8 RACING" MEANS THAT FORM OF HORSE RACING IN WHICH EACH
9 PARTICIPATING HORSE IS MOUNTED BY A JOCKEY, IS DULY REGISTERED
10 WITH THE JOCKEY CLUB, NEW YORK, NEW YORK AND ENGAGES IN RACES ON
11 THE FLAT. THOROUGHBRED HORSE RACING MAY INCLUDE A STEEPLECHASE
12 OR HURDLE RACE. THE COMMISSION SHALL CONSIST OF THREE MEMBERS
13 WHO SHALL BE APPOINTED BY THE GOVERNOR, BY AND WITH THE ADVICE
14 AND CONSENT OF THE SENATE. EACH COMMISSIONER SHALL HOLD OFFICE
15 FOR A TERM OF THREE YEARS AND UNTIL A SUCCESSOR IS QUALIFIED.

16 (B) THE STATE HARNESS RACING COMMISSION IS HEREBY
17 ESTABLISHED AS A DEPARTMENTAL ADMINISTRATIVE COMMISSION WITHIN
18 THE DEPARTMENT OF AGRICULTURE. THE COMMISSION SHALL HAVE GENERAL
19 JURISDICTION OVER ALL PARI-MUTUEL HARNESS RACING ACTIVITIES IN
20 THE COMMONWEALTH AND THE CORPORATIONS ENGAGED THEREIN. THE
21 COMMISSION SHALL CONSIST OF THREE MEMBERS WHO SHALL BE APPOINTED
22 BY THE GOVERNOR, BY AND WITH THE ADVICE AND CONSENT OF THE
23 SENATE. EACH COMMISSIONER SHALL HOLD OFFICE FOR A TERM OF THREE
24 YEARS AND UNTIL A SUCCESSOR IS QUALIFIED.

25 (C) THE COMMISSIONERS SHALL BE REIMBURSED FOR DOCUMENTED
26 EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES.
27 THE COMMISSIONERS SHALL BE PAID \$150 PER DIEM FOR PERFORMING
28 THEIR DUTIES AS DIRECTED BY THE SECRETARY OF AGRICULTURE. ONE OF
29 THE COMMISSIONERS FOR EACH COMMISSION SHALL BE APPOINTED BY THE
30 GOVERNOR AS CHAIRPERSON. THE COMMISSIONER APPOINTED BY THE

1 GOVERNOR AS CHAIRPERSON SHALL SERVE IN THAT POSITION AT THE
2 PLEASURE OF THE GOVERNOR. THE SECRETARY OF AGRICULTURE OR HIS
3 DESIGNEE SHALL BE A NONVOTING EX OFFICIO MEMBER OF THE
4 COMMISSIONS. THE COMMISSIONS SHALL MEET AT LEAST ONCE A MONTH
5 AND AT OTHER TIMES AS THE SECRETARY OF AGRICULTURE OR THE
6 COMMISSION CHAIRPERSON DEEMS NECESSARY. ADEQUATE PUBLIC NOTICE
7 OF THE TIME AND PLACE OF THE MEETINGS SHALL BE GIVEN. A
8 COMMISSIONER WHO FAILS TO ATTEND THREE CONSECUTIVE MEETINGS
9 SHALL BE SUBJECT TO REMOVAL. A COMMISSIONER SHALL BE EXCUSED
10 FROM MEETINGS DUE TO ILLNESS OR DEATH OF AN IMMEDIATE FAMILY
11 MEMBER. ALL COMMISSIONERS SHALL BE LICENSED UNDER THE PROVISIONS
12 OF SECTION 213.

13 (D) EACH COMMISSION SHALL ENGAGE AN EXECUTIVE SECRETARY,
14 DEPUTIES, SECRETARIES, OFFICERS AND REPRESENTATIVES AS IT MAY
15 DEEM NECESSARY, WHO SHALL SERVE DURING ITS PLEASURE. THE
16 COMMISSIONS SHALL ALSO ENGAGE OTHER EMPLOYEES AS THEY SEE FIT
17 AND WHOSE DUTIES SHALL BE PRESCRIBED BY THE COMMISSIONS AND
18 WHOSE COMPENSATION SHALL BE FIXED BY THE COMMISSIONS WITHIN THE
19 APPROPRIATIONS AVAILABLE. LEGAL COUNSEL FOR THE COMMISSIONS
20 SHALL BE APPOINTED IN ACCORDANCE WITH THE ACT OF OCTOBER 15,
21 1980 (P.L.950, NO.164), KNOWN AS THE "COMMONWEALTH ATTORNEYS
22 ACT." EACH COMMISSION SHALL BE SUBJECT TO THE PROVISIONS OF THE
23 ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS "THE
24 ADMINISTRATIVE CODE OF 1929," AS TO CLASSIFICATION AND
25 COMPENSATION FOR ALL ITS EMPLOYEES.

26 (E) IT SHALL BE THE DUTY OF THE EXECUTIVE SECRETARY TO KEEP
27 A FULL AND FAITHFUL RECORD OF THE PROCEEDINGS OF THE
28 COMMISSIONS, PRESERVE AT THE GENERAL OFFICE OF THE COMMISSIONS
29 ALL BOOKS, MAPS, DOCUMENTS AND PAPERS ENTRUSTED TO THE EXECUTIVE
30 SECRETARY'S CARE, PREPARE FOR SERVICE THE PAPERS AND NOTICES AS

1 MAY BE REQUIRED BY THE COMMISSIONS AND PERFORM OTHER DUTIES AS
2 THE COMMISSIONS MAY PRESCRIBE. IT SHALL BE THE DUTY OF THE
3 EXECUTIVE SECRETARY TO KEEP, AT THE OFFICES OF THE COMMISSIONS,
4 A DOCKET SETTING FORTH THE NAMES OF ALL STOCKHOLDERS IN ALL
5 CORPORATIONS LICENSED UNDER THIS ACT, THE NUMBER OF SHARES HELD
6 BY EACH STOCKHOLDER AND THE DATE ON WHICH EACH SHAREHOLDER
7 ACQUIRED STOCK IN THE LICENSED CORPORATION. THE DOCKET SHALL BE
8 OPEN FOR PUBLIC INSPECTION. IT SHALL BE THE DUTY OF THE
9 EXECUTIVE SECRETARY TO APPEAR BEFORE THE APPROPRIATIONS
10 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES FOR
11 BUDGETARY REVIEW AND RECOMMENDATIONS.

12 (F) THE COMMISSIONS OR DESIGNATED OFFICERS, EMPLOYEES OR
13 AGENTS OF THE COMMISSIONS SHALL HAVE THE POWER TO ADMINISTER
14 OATHS AND EXAMINE WITNESSES AND MAY ISSUE SUBPOENAS TO COMPEL
15 ATTENDANCE OF WITNESSES AND PRODUCTION OF ALL RELEVANT AND
16 MATERIAL REPORTS, BOOKS, PAPERS, DOCUMENTS, CORRESPONDENCE AND
17 OTHER EVIDENCE. THE COMMISSIONS SHALL, ANNUALLY, MAKE A FULL
18 REPORT TO THE SECRETARY OF AGRICULTURE OF THEIR PROCEEDINGS FOR
19 THE PRECEDING CALENDAR YEAR AND SUGGESTIONS AND RECOMMENDATIONS
20 AS THEY SEE FIT. THE COMMISSIONS SHALL EXERCISE THEIR POWERS AND
21 DUTIES IN ACCORDANCE WITH THE PROVISIONS OF "THE ADMINISTRATIVE
22 CODE OF 1929."

23 (G) THE TERMS AND TERMINATION DATES OF THE TERMS OF THE
24 THREE COMMISSIONERS WHO CONSTITUTE THE STATE HORSE RACING
25 COMMISSION UNDER THE ACT OF DECEMBER 11, 1967 (P.L.707, NO.331),
26 REFERRED TO AS THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW,
27 SHALL CONTINUE UNDER THIS ACT. ANY COMMISSIONER WHOSE TERM HAS
28 ALREADY EXPIRED ON THE EFFECTIVE DATE OF THIS ACT AND WHO HAS
29 NOT BEEN REPLACED BY A NEW MEMBER OR HAS NOT BEEN CONFIRMED FOR
30 ANOTHER TERM, SHALL CONTINUE IN HIS OR HER PRESENT STATUS UNTIL

1 REPLACED BY A NEW MEMBER OR CONFIRMED FOR ANOTHER TERM.

2 (H) THE TERMS AND TERMINATION DATES OF THE TERMS OF THE
3 THREE COMMISSIONERS WHO CONSTITUTE THE STATE HARNESS RACING
4 COMMISSION UNDER THE ACT OF DECEMBER 22, 1959 (P.L.1978,
5 NO.728), REFERRED TO AS THE PENNSYLVANIA HARNESS RACING LAW,
6 SHALL CONTINUE UNDER THIS ACT. ANY COMMISSIONER WHOSE TERM HAS
7 ALREADY EXPIRED ON THE EFFECTIVE DATE OF THIS SECTION AND WHO
8 HAS NOT BEEN REPLACED BY A NEW MEMBER OR HAS NOT BEEN CONFIRMED
9 FOR ANOTHER TERM, SHALL CONTINUE IN HIS OR HER PRESENT STATUS
10 UNTIL REPLACED BY A NEW MEMBER OR CONFIRMED FOR ANOTHER TERM.

11 (I) ALL RULES AND REGULATIONS PROMULGATED UNDER THE
12 PROVISIONS OF THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW AND
13 THE PENNSYLVANIA HARNESS RACING LAW SHALL REMAIN IN EFFECT
14 EXCEPT TO THE EXTENT THAT THEY ARE IN DIRECT CONFLICT WITH THE
15 PROVISIONS OF THIS ACT. THE COMMISSIONS MAY AMEND, REVISE OR
16 ALTER THESE RULES AND REGULATIONS AS THEY DEEM NECESSARY.

17 (J) ALL LICENSES ISSUED UNDER THE PROVISIONS OF SECTION 11
18 OF THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW AND UNDER THE
19 PROVISIONS OF SECTION 9 OF THE PENNSYLVANIA HARNESS RACING LAW,
20 SHALL REMAIN IN EFFECT FOR THE REMAINDER OF THE TERM FOR WHICH
21 THESE LICENSES WERE ISSUED. AFTER THESE LICENSES HAVE EXPIRED,
22 ALL RENEWALS OR NEW LICENSES SHALL BE ISSUED UNDER THE
23 PROVISIONS OF THIS ACT.

24 (K) ALL LICENSES ISSUED TO CORPORATIONS UNDER THE PROVISIONS
25 OF SECTION 7 OF THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW
26 AND UNDER THE PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA
27 HARNESS RACING LAW, SHALL CONTINUE WITH THE SAME FORCE AND
28 EFFECT AND SHALL BE GOVERNED BY THE PROVISIONS OF SECTION 209.
29 SECTION 202. GENERAL POWERS OF THE COMMISSIONS.

30 (A) THE STATE HORSE RACING COMMISSION SHALL HAVE THE POWER

1 TO SUPERVISE ALL THOROUGHBRED HORSE RACE MEETINGS AT WHICH PARI-
2 MUTUEL WAGERING IS CONDUCTED. THE STATE HARNESS RACING
3 COMMISSION SHALL HAVE THE POWER TO SUPERVISE ALL HARNESS HORSE
4 RACING MEETINGS AT WHICH PARI-MUTUEL WAGERING IS CONDUCTED. THE
5 COMMISSIONS MAY ADOPT RULES AND REGULATIONS TO EFFECT THE
6 PURPOSES AND PROVISIONS OF THIS ACT.

7 (B) WITHOUT LIMITING THE GENERALITY OF THE FOREGOING AND IN
8 ADDITION TO ITS OTHER POWERS:

9 (1) EACH COMMISSION SHALL HAVE POWER TO FIX A MINIMUM
10 CHARGE FOR ADMISSION TO HORSE RACE MEETINGS AT WHICH PARI-
11 MUTUEL WAGERING IS CONDUCTED, BUT THE MINIMUM CHARGE SHALL
12 NOT BE LESS THAN 50¢ FOR GENERAL ADMISSION, EXCLUSIVE OF
13 TAXES. THE COMMISSIONS SHALL HAVE POWER TO FIX THE CHARGE FOR
14 ADMISSION OF SOLDIERS, SAILORS AND MARINES, IN UNIFORM, AT
15 ONE-HALF OF THE AMOUNT FIXED FOR GENERAL ADMISSION, WHETHER
16 OR NOT THE ONE-HALF OF THE AMOUNT FIXED IS LESS THAN THE
17 MINIMUM PRESCRIBED THEREIN.

18 (2) EACH COMMISSION SHALL AT ALL TIMES HAVE IN EFFECT
19 RULES AND REGULATIONS AS REQUIRED UNDER CHAPTER 3 REGARDING
20 MEDICATION RULES AND ENFORCEMENT PROVISIONS.

21 (3) THE RULES OF THE COMMISSIONS SHALL ALSO PROVIDE THAT
22 ALL WINNING PARI-MUTUEL TICKETS MUST BE PRESENTED FOR PAYMENT
23 BEFORE APRIL 1 OF THE YEAR FOLLOWING THE YEAR OF THEIR
24 PURCHASE AND FAILURE TO PRESENT THE TICKET WITHIN THE
25 PRESCRIBED PERIOD OF TIME SHALL CONSTITUTE A WAIVER OF THE
26 RIGHT TO PARTICIPATE IN THE AWARD. AFTER APRIL 1 OF THE YEAR
27 FOLLOWING, ALL LICENSED CORPORATIONS WILL FORWARD TO THE
28 STATE TREASURER THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT
29 TO THE STATE RACING FUND ALL FUNDS SO HELD FOR THE UNCASHED
30 TICKETS. WHERE IT IS SHOWN TO THE SATISFACTION OF THE

1 APPROPRIATE COMMISSION AND THE DEPARTMENT OF REVENUE, THROUGH
2 SUBSTANTIATED AND RECORDED DATA, THAT THE REASON FOR THE
3 PARI-MUTUEL TICKET OR TICKETS BEING OUTSTANDING AND UNCLAIMED
4 IS LOSS, MISPLACEMENT OR THEFT WITHIN THE CONFINES AND
5 CONTROL OF THE PARI-MUTUEL DEPARTMENT OF ANY LICENSED
6 CORPORATION AND IT IS SHOWN TO THE SATISFACTION OF THE
7 APPROPRIATE COMMISSION AND THE DEPARTMENT OF REVENUE THAT THE
8 PARI-MUTUEL TICKET OR TICKETS IN QUESTION HAVE BEEN CASHED BY
9 THE PARI-MUTUEL DEPARTMENT, THE DEPARTMENT OF REVENUE, WITH
10 THE APPROVAL OF THE APPROPRIATE COMMISSION, MAY ADJUST AND
11 CREDIT THE LICENSED CORPORATION'S OUTSTANDING TICKET ACCOUNT
12 ACCORDINGLY ON MARCH 31 OF THE YEAR FOLLOWING THE YEAR OF
13 PURCHASE OR AFTER A COMPLETE AUDIT OF THE OUTSTANDING TICKETS
14 ACCOUNTS HAVE BEEN PERFORMED. THE LICENSED CORPORATION SHALL
15 REIMBURSE ANY EMPLOYEE WHO HAS BEEN HELD PERSONALLY
16 ACCOUNTABLE AND PAID FOR THE LOST, MISPLACED OR STOLEN
17 TICKETS.

18 (4) THE COMMISSIONS MAY ADOPT A GENERAL PROMOTION
19 PROGRAM TO ASSIST THE LICENSED CORPORATIONS IN INCREASING
20 THEIR ATTENDANCE AND AVERAGE DAILY HANDLE. ANY EXPENDITURES
21 FOR A PROMOTIONAL PROGRAM SHALL BE AUTHORIZED AND APPROVED IN
22 THE SAME MANNER AS OTHER OPERATIONAL COSTS OF THE
23 COMMISSIONS.

24 (5) IN THE EVENT THAT A STATE BORDERING PENNSYLVANIA
25 ENACTS A WAGERING TAX SCHEME THAT MAY PLACE PENNSYLVANIA
26 HORSE RACE MEETINGS AT A COMPETITIVE DISADVANTAGE IN THE
27 PURSES THAT CAN BE OFFERED FOR HORSE RACES, A LICENSED
28 CORPORATION MAY PETITION THE APPROPRIATE COMMISSION FOR AN
29 EMERGENCY FINANCIAL GRANT TO AUGMENT ITS PURSE STRUCTURE. IF
30 THE APPROPRIATE COMMISSION FINDS THAT THE EFFECT OF THE

1 ENACTED WAGERING TAX SCHEME OF A BORDERING STATE IS TO PLACE
2 PENNSYLVANIA HORSE RACE MEETINGS AT A COMPETITIVE
3 DISADVANTAGE IN PURSE STRUCTURE, THE APPROPRIATE COMMISSION
4 SHALL MAKE AN EMERGENCY FINANCIAL GRANT TO THE PETITIONING
5 LICENSED CORPORATION FOR AUGMENTATION TO ITS PURSE STRUCTURE
6 OUT OF MONEYS THAT THE COMMISSION HAS BUDGETED FOR THIS
7 PURPOSE; PROVIDED, HOWEVER, THAT THE SECRETARY OF AGRICULTURE
8 AND THE SECRETARY OF THE OFFICE OF BUDGET AND ADMINISTRATION
9 HAVE ALSO AGREED TO THE GRANT.

10 (C) THE STATE HARNESS RACING COMMISSION SHALL HAVE
11 JURISDICTION OVER AND SHALL PROMULGATE REGULATIONS AS NECESSARY
12 FOR THE PROPER ADMINISTRATION OF ALL RACING CONDUCTED BY A
13 COUNTY AGRICULTURAL SOCIETY OR AN INDEPENDENT AGRICULTURAL
14 SOCIETY, AS PROVIDED FOR UNDER SECTION 5(1)(III) AND (IV) OF THE
15 ACT OF JULY 8, 1986 (P.L.437, NO.92), KNOWN AS THE "PENNSYLVANIA
16 AGRICULTURAL FAIR ACT."
17 SECTION 203.

18 (C) NO CORPORATION SHALL HAVE THE RIGHT TO CONDUCT ANY HORSE
19 RACE MEET EXCEPT ON OBTAINING A LICENSE FROM THE APPROPRIATE
20 COMMISSION AND AT THE LOCATION OR LOCATIONS DESIGNATED IN ITS
21 LICENSE OR ANY AMENDMENT THERETO OR AS APPROVED AT ANY TIME BY
22 THE COMMISSION AS THE PLACE OR PLACES AT WHICH IT WAS PROPOSED
23 TO CONDUCT ITS BUSINESS. THIS RESTRICTION SHALL NOT APPLY TO ANY
24 CORPORATION WHOSE RACING PLANT OR USEFULNESS, IN THE DISCRETION
25 OF THE APPROPRIATE COMMISSIONS, SHALL, FOR ANY REASON BEYOND THE
26 CONTROL OF THE CORPORATION, BE TOTALLY DESTROYED OR SO
27 SUBSTANTIALLY INTERFERED WITH AS TO RENDER SAME UNFIT FOR
28 CONTINUED OPERATION. PENDING THE REBUILDING OR RESTORATION OF
29 ITS USEFULNESS, OR THE MAKING OF THE REQUIRED REPAIRS TO THE
30 PLANT OR THE PART DESTROYED OR DAMAGED, THE COMMISSIONS MAY

1 LICENSE SUCH CORPORATION TO CONDUCT ITS HORSE RACE MEETINGS AT
2 ANY OTHER SUITABLE LOCATION.

3 SECTION 204. FILING OF INFORMATION CONCERNING STOCK TRANSFERS;
4 NECESSITY FOR COMMISSIONS' APPROVAL.

5 (A) WHENEVER A TRANSFER OF STOCK COMPRISING AN INTEREST OF
6 5% OR MORE IN ANY LICENSED CORPORATION, OR COMPRISING AN
7 INTEREST OF 5% OR MORE IN ANY CORPORATION WHICH LEASES TO A
8 LICENSED CORPORATION THE TRACK FACILITY AT WHICH IT CONDUCTS
9 PARI-MUTUEL HORSE RACES OR COMPRISING AN INTEREST OF 5% OR MORE
10 IN ANY CORPORATION WHICH OWNS 25% OR MORE OF THE STOCK OF THE
11 LICENSED CORPORATION SHALL BE MADE, THERE SHALL BE FILED,
12 SIMULTANEOUSLY, WITH THE CORPORATION WHICH ISSUED SUCH STOCK THE
13 FOLLOWING:

14 (1) IN DUPLICATE, AN AFFIDAVIT EXECUTED BY THE
15 TRANSFEREE OF THE INTEREST STATING THAT HE IS TO BE THE SOLE
16 BENEFICIAL OWNER THEREOF, AND WHETHER OR NOT HE:

17 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
18 TURPITUDE;

19 (II) HAS BEEN ENGAGED IN BOOKMAKING OR OTHER FORMS
20 OF ILLEGAL GAMBLING;

21 (III) HAS BEEN FOUND GUILTY OF ANY FRAUD OR
22 MISREPRESENTATION IN CONNECTION WITH RACING OR BREEDING;

23 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
24 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
25 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
26 IMPOSED IN SUCH JURISDICTION; OR

27 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
28 THE COMMISSIONS.

29 IF THE TRANSFEREE OF THE INTEREST IS NOT, OR IS NOT TO BE,
30 THE SOLE BENEFICIAL OWNER, THERE SHALL BE ANNEXED TO THE

1 AFFIDAVIT OF THE TRANSFEREE, AND EXPRESSLY STATED IN SUCH
2 AFFIDAVIT, A TRUE AND COMPLETE COPY OF ALL TERMS OF THE
3 AGREEMENT PURSUANT TO WHICH THE INTEREST IN THE CORPORATION
4 IS TO BE HELD BY THE TRANSFEREE, INCLUDING A DETAILED
5 STATEMENT OF THE INTEREST OF EACH PERSON WHO IS TO HAVE ANY
6 INTEREST THEREIN.

7 (2) IN DUPLICATE, AN AFFIDAVIT EXECUTED BY EACH PERSON
8 FOR WHOM THE INTEREST IS TO BE HELD BY THE TRANSFEREE,
9 SETTING FORTH WHETHER OR NOT THE AFFIANT:

10 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
11 TURPITUDE;

12 (II) HAS ENGAGED IN BOOKMAKING OR OTHER FORMS OF
13 ILLEGAL GAMBLING;

14 (III) HAS BEEN FOUND GUILTY OF ANY FRAUD OR
15 MISREPRESENTATION IN CONNECTION WITH RACING OR BREEDING;

16 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
17 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
18 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
19 IMPOSED IN SUCH JURISDICTION; OR

20 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
21 THE COMMISSIONS.

22 TO EACH OF THE AFFIDAVITS SHALL BE ANNEXED, AND EXPRESSLY
23 STATED IN SUCH AFFIDAVIT, A TRUE AND COMPLETE COPY OF ALL THE
24 TERMS OF THE AGREEMENT PURSUANT TO WHICH THE INTEREST IS TO
25 BE HELD BY THE TRANSFEREE, INCLUDING A DETAILED STATEMENT OF
26 THE INTEREST OF EACH PERSON WHO IS TO HAVE ANY INTEREST
27 THEREIN. THE CORPORATION SHALL FILE WITH THE APPROPRIATE
28 COMMISSION ONE OF EACH DUPLICATE AFFIDAVITS.

29 (B) IF, AFTER THE FILING OF ANY AFFIDAVIT REQUIRED TO BE
30 FILED, THERE SHALL BE ANY CHANGE IN THE STATUS OF ANY AFFIANT

1 WITH RESPECT TO ANY OF THE MATTERS SET FORTH IN SUBSECTION (A)
2 (1) OF THE AFFIDAVIT FILED, THE AFFIANT SHALL FILE WITH THE
3 CORPORATION WITH WHICH HIS AFFIDAVIT WAS SO FILED A NEW
4 AFFIDAVIT, EXECUTED BY HIM IN DUPLICATE, SETTING FORTH THE
5 CHANGE OF STATUS AND THE CORPORATION SHALL FILE ONE OF THESE
6 AFFIDAVITS WITH THE APPROPRIATE COMMISSION.

7 (C) WHENEVER ANY CHANGE SHALL BE MADE IN THE AMOUNT, NATURE
8 OR OF THE INTEREST OF ANY PERSON HAVING AN INTEREST OF 5% OR
9 MORE IN ANY CORPORATION, OR ANY NEW INTEREST OF 5% OR MORE SHALL
10 BE CREATED THEREIN, WITHOUT A TRANSFER AS PROVIDED, THE RECORD
11 OWNER OF THE STOCK, AND EACH PERSON WHOSE INTEREST HAS BEEN
12 ATTEMPTED TO BE CHANGED OR CREATED, SHALL FILE WITH THE
13 CORPORATION WHICH ISSUED THE STOCK, IN DUPLICATE, AFFIDAVITS AS
14 PROVIDED BY SUBSECTION (A) (1) AND (2), EXCEPT THAT THESE
15 AFFIDAVITS NEED NOT INCLUDE THE MATTER REFERRED TO IN SUBSECTION
16 (A) UNLESS THEN REQUIRED PURSUANT TO SUBSECTION (B) AND ONE COPY
17 THEREOF SHALL BE FILED BY THE CORPORATION WITH THE APPROPRIATE
18 COMMISSION.

19 (D) IF THE APPROPRIATE COMMISSION DETERMINES THAT IT IS
20 INCONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE, OR
21 NECESSITY, OR WITH THE BEST INTEREST OF RACING GENERALLY, THAT
22 ANY PERSON CONTINUE TO BE A STOCKHOLDER OF RECORD, OR THE
23 BENEFICIAL OWNER OF ANY INTEREST IN STOCK STANDING IN THE NAME
24 OF ANOTHER IN ANY LICENSED CORPORATION OR OF ANY CORPORATION
25 WHICH LEASES TO SUCH LICENSED CORPORATION THE TRACK AT WHICH IT
26 CONDUCTS PARI-MUTUEL HORSE RACING OR WHICH OWNED 25% OR MORE OF
27 THE STOCK OF THE LICENSEE, THE APPROPRIATE COMMISSION SHALL HAVE
28 FULL POWER AND AUTHORITY TO ORDER EACH STOCKHOLDER OR BENEFICIAL
29 OWNER TO DISPOSE OF HIS STOCK OR INTEREST WITHIN A PERIOD OF
30 TIME TO BE SPECIFIED BY THE APPROPRIATE COMMISSION, WHICH PERIOD

1 THE APPROPRIATE COMMISSION SHALL HAVE FULL POWER TO EXTEND.

2 (E) IF THE COMMISSIONS SHALL MAKE ANY ORDER OR DIRECTION AS
3 PROVIDED IN SUBSECTION (D), THE PERSON AGGRIEVED SHALL BE GIVEN
4 NOTICE OF THE TIME AND PLACE OF A HEARING BEFORE THE APPROPRIATE
5 COMMISSION, AT WHICH TIME THE APPROPRIATE COMMISSION WILL HEAR
6 THE PERSON IN REFERENCE THERETO.

7 SECTION 205. NUMBER OF HORSE RACING CORPORATIONS.

8 (A) NO MORE THAN SIX CORPORATIONS SHALL BE LICENSED BY THE
9 STATE HORSE RACING COMMISSION TO CONDUCT A PARI-MUTUEL MEET OR
10 MEETS. NO CORPORATION LICENSED UNDER THIS ACT TO CONDUCT HARNESS
11 RACING WITH PARI-MUTUEL WAGERING OR UNDER THE ACT OF DECEMBER
12 22, 1959 (P.L.1978, NO.728), REFERRED TO AS THE PENNSYLVANIA
13 HARNESS RACING LAW, SHALL BE LICENSED TO CONDUCT THOROUGHBRED
14 HORSE RACING WITH PARI-MUTUEL WAGERING.

15 (B) NO MORE THAN FIVE CORPORATIONS SHALL BE LICENSED BY THE
16 STATE HARNESS RACING COMMISSION TO CONDUCT A PARI-MUTUEL MEET OR
17 MEETS. NO CORPORATION LICENSED UNDER THIS ACT TO CONDUCT
18 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING OR UNDER THE
19 ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), REFERRED TO AS THE
20 PENNSYLVANIA THOROUGHBRED HORSE RACING LAW, SHALL BE LICENSED TO
21 CONDUCT HARNESS HORSE RACING WITH PARI-MUTUEL WAGERING.

22 SECTION 206. RESPONSIBILITIES OF THE DEPARTMENT OF REVENUE.

23 THE DEPARTMENT OF REVENUE IS CHARGED WITH THE FINANCIAL
24 ADMINISTRATION OF PARI-MUTUEL WAGERING UNDER THIS ACT, AS
25 SUPPLEMENTED BY THE RULES AND REGULATIONS OF THE COMMISSIONS.
26 THE DEPARTMENT OF REVENUE SHALL HAVE AUTHORITY TO PRESCRIBE THE
27 FORMS AND THE SYSTEM OF ACCOUNTING TO BE EMPLOYED, AND THROUGH
28 ITS REPRESENTATIVES SHALL, AT ALL TIMES, HAVE POWER OF ACCESS
29 TO, AND EXAMINATION OF, ANY EQUIPMENT RELATING TO SUCH WAGERING.

30 SECTION 207. ALLOCATION OF RACING DAYS.

1 (A) UP TO 125 BUT NO LESS THAN 25 RACING DAYS SHALL BE
2 ALLOCATED TO EACH LICENSED CORPORATION CONDUCTING THOROUGHBRED
3 HORSE RACE MEETINGS IN ANY CALENDAR YEAR; EXCEPT, THAT UPON
4 REQUEST, THE STATE HORSE RACING COMMISSION MAY GRANT UP TO AN
5 ADDITIONAL 25 RACING DAYS OVER THE 125 DAYS TO A LICENSED
6 CORPORATION IN EACH CALENDAR YEAR, IF RACING MEET SCHEDULES CAN
7 ACCOMMODATE THESE EXTRA DAYS. WHENEVER TWO OR MORE CORPORATIONS
8 LICENSED TO CONDUCT RACING AT THE SAME FACILITY APPLY TO THE
9 STATE HORSE RACING COMMISSION FOR AN ALLOCATION OF RACING DAYS
10 AT THE SAME FACILITY, THE COMMISSION SHALL ALLOCATE THE RACING
11 DAYS IN THE FOLLOWING MANNER:

12 (1) IF THERE IS AN AGREEMENT BETWEEN THE LICENSED
13 CORPORATIONS AS TO THE ALLOCATION OF RACING DAYS THEN AS
14 PROVIDED FOR THEREIN.

15 (2) IF THERE IS NO AGREEMENT BETWEEN THE LICENSED
16 CORPORATIONS AS TO THE ALLOCATION OF RACING DAYS, THEN
17 EQUALLY BETWEEN THEM.

18 (B) NO MORE THAN 125 RACING DAYS SHALL BE ALLOCATED TO EACH
19 LICENSED CORPORATION CONDUCTING HARNESS HORSE RACE MEETINGS IN
20 ANY CALENDAR YEAR. EVERY CORPORATION SHALL HOLD ITS LICENSE
21 UNDER THE PROVISIONS OF SECTION 209. THE STATE HARNESS RACING
22 COMMISSION SHALL ALLOCATE THE RACING DAYS IN ACCORDANCE WITH THE
23 FOLLOWING GUIDELINES:

24 (1) A LICENSED CORPORATION THAT HAS AN OWNERSHIP
25 INTEREST IN THE FACILITY AT WHICH THE RACING DAYS ARE TO BE
26 CONDUCTED SHALL BE GRANTED UP TO 125 RACING DAYS IN ANY
27 CALENDAR YEAR UPON REQUEST TO THE STATE HARNESS RACING
28 COMMISSION. THE STATE HARNESS RACING COMMISSION SHALL GRANT
29 ALL RACING DAYS REQUESTED BY LICENSED CORPORATIONS DESCRIBED
30 IN THIS PARAGRAPH BEFORE ANY OTHER RACING DAYS ARE GRANTED TO

1 ANY OTHER LICENSED CORPORATION THAT DESIRES TO CONDUCT A MEET
2 AT THE SAME FACILITY OWNED IN PART OR IN WHOLE BY A LICENSED
3 CORPORATION THAT ALSO DESIRES TO CONDUCT A MEET THERE.

4 (2) WHENEVER ONE OR MORE LICENSED CORPORATIONS THAT HAVE
5 AN OWNERSHIP INTEREST IN THE FACILITY AT WHICH THE RACING
6 DAYS ARE TO BE CONDUCTED APPLY TO THE STATE HARNESS RACING
7 COMMISSION FOR AN ALLOCATION OF RACING DAYS, THE STATE
8 HARNESS RACING COMMISSION SHALL ALLOCATE AN EQUAL NUMBER OF
9 RACING DAYS TO EACH LICENSED CORPORATION OR TO EACH LICENSED
10 CORPORATION BASED UPON AN AGREEMENT BETWEEN THE LICENSED
11 CORPORATIONS AS TO THE ALLOCATION OF RACING DAYS.

12 (3) UPON REQUEST THE STATE HARNESS RACING COMMISSION MAY
13 GRANT UP TO AN ADDITIONAL 25 RACING DAYS OVER THE 125 RACING
14 DAYS TO A LICENSED CORPORATION IN EACH CALENDAR YEAR, AND THE
15 COMMISSION MAY GRANT UP TO 50 ADDITIONAL DAYS OF RACING IF
16 THAT CORPORATION IS THE ONLY CORPORATION OPERATING AT THE
17 FACILITY, IF RACING MEET SCHEDULES CAN ACCOMMODATE THESE
18 EXTRA RACING DAYS.

19 (4) FOR PURPOSES OF THIS SECTION, AN OWNERSHIP INTEREST
20 SHALL MEAN THAT A LICENSED CORPORATION DIRECTLY OR THROUGH A
21 PARENT OR SUBSIDIARY HAS AT LEAST 35% EQUITY INTEREST IN THE
22 TRACK FACILITY AT WHICH IT CONDUCTS HARNESS HORSE RACE
23 MEETINGS OR IS THE PRIMARY TENANT AT SUCH FACILITY. FOR
24 PURPOSES OF THIS SUBSECTION, A PRIMARY TENANT SHALL BE THAT
25 LICENSED CORPORATION, IF ANY, WHICH IS A TENANT CONDUCTING
26 HORSE RACE MEETINGS AT A TRACK FACILITY AT WHICH NO LICENSED
27 CORPORATION CONDUCTING HORSE RACE MEETINGS HAS DIRECTLY OR
28 THROUGH A PARENT OR SUBSIDIARY AT LEAST A 35% EQUITY INTEREST
29 IN SUCH FACILITY, AND IF THERE IS MORE THAN ONE SUCH TENANT
30 AT ANY SUCH FACILITY DURING THE YEAR PRIOR TO THE YEAR FOR

1 WHICH DATES ARE REQUESTED, THEN AMONG OR BETWEEN SUCH TENANTS
2 THE PRIMARY TENANT, IF ANY, SHALL BE DESIGNATED BY AGREEMENT
3 AMONG OR BETWEEN THOSE LICENSED CORPORATIONS WHICH PROPOSE TO
4 CONDUCT HORSE RACE MEETINGS AT THE SAID TRACK FACILITY DURING
5 THE YEAR FOR WHICH DATES ARE REQUESTED.

6 (C) THE COMMISSIONS SHALL CERTIFY TO THE SECRETARY OF THE
7 DEPARTMENT OF REVENUE WITHIN 20 DAYS AFTER THE ALLOCATION OF
8 RACING DAYS TO LICENSED CORPORATIONS THE FOLLOWING INFORMATION:

9 (1) THE NAMES AND ADDRESSES OF THE CORPORATIONS;

10 (2) THE NAMES AND ADDRESSES OF THE PRESIDENTS AND
11 GENERAL MANAGERS OF THE CORPORATIONS;

12 (3) THE NAMES AND LOCATIONS OF THE FACILITIES WHERE THE
13 RACING DAYS ARE TO BE CONDUCTED;

14 (4) THE NUMBER OF RACING DAYS ALLOCATED TO EACH
15 CORPORATION; AND

16 (5) A NUMBERED LIST OF EACH RACING DAY ASSIGNED TO EACH
17 CALENDAR DAY OF THE YEAR FOR THE PURPOSES OF TAXATION.

18 (D) IF A RACING DAY IS CANCELLED BY A LICENSED CORPORATION
19 FOR REASONS BEYOND ITS CONTROL, THE APPROPRIATE COMMISSION SHALL
20 GRANT THE LICENSED CORPORATION THE RIGHT TO CONDUCT THAT RACING
21 DAY IN THE SAME OR THE NEXT ENSUING CALENDAR YEAR, IF SCHEDULES
22 PERMIT. THE RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
23 222 SHALL BE AT THE LOWEST TAX RATE AT WHICH THE LICENSED
24 CORPORATION CONDUCTED A RACING DAY DURING THAT YEAR.
25 SECTION 208. STATE ADMISSIONS TAXES.

26 (A) EVERY CORPORATION HOLDING A THOROUGHBRED HORSE RACE
27 MEETING UNDER THIS ACT SHALL COLLECT, IN ADDITION TO THE
28 ADMISSION PRICE OF TICKETS SOLD OR OTHERWISE DISPOSED OF, FOR
29 EACH MEETING HELD BY THE CORPORATION, A TAX EQUIVALENT TO 15% OF
30 THE ADMISSION PRICE, OR 15¢ WHICHEVER IS GREATER. IN CASE OF

1 FAILURE TO COLLECT THE TAX, THE TAX SHALL BE IMPOSED UPON THE
2 CORPORATION HOLDING THE RACE MEETING. THE TAX SHALL BE PAID TO
3 THE DEPARTMENT OF REVENUE WITHIN TEN DAYS OF COLLECTION. THE
4 AMOUNTS COLLECTED SHALL BE PAID INTO THE STATE TREASURY TO THE
5 CREDIT OF THE STATE RACING FUND. BEFORE ANY CORPORATION LIABLE
6 TO PAY THE TAX SHALL HOLD ANY RACE MEETING, OR EXERCISE ANY OF
7 THE POWERS CONFERRED BY THIS ACT, THE CORPORATION SHALL PAY ALL
8 TAXES DUE, AND SHALL FILE A STATEMENT WITH THE DEPARTMENT OF
9 REVENUE CONTAINING THE NAME OF THE PLACE AND STATING THE TIME
10 WHEN THE RACES ARE TO BE HELD. NOTHING IN THIS SECTION SHALL
11 APPLY TO A RACE MEETING CONDUCTED BY ANY STATE, COUNTY OR OTHER
12 AGRICULTURAL ASSOCIATION. RETROACTIVE TO SEPTEMBER 1, 1981 AND
13 THEREAFTER, THE ADMISSION TAX SHALL BE DECREASED TO A TAX
14 EQUIVALENT TO 10% OF THE ADMISSION PRICE. THEN ON SEPTEMBER 1,
15 1982 AND THEREAFTER, THE ADMISSION TAX SHALL BE DECREASED TO A
16 TAX EQUIVALENT TO 5% OF THE ADMISSION PRICE.

17 (B) EVERY CORPORATION HOLDING A HARNESS HORSE RACE MEETING
18 SHALL COLLECT, IN ADDITION TO THE ADMISSION PRICE OF TICKETS
19 SOLD OR OTHERWISE DISPOSED OF, FOR EACH SUCH MEETING HELD BY THE
20 CORPORATION, A TAX EQUIVALENT TO 5% OF THE ADMISSION PRICE. IN
21 CASE OF FAILURE TO COLLECT THE TAX, THE TAX SHALL BE IMPOSED
22 UPON THE CORPORATION HOLDING THE RACE MEETING. THE TAX SHALL BE
23 PAID TO THE DEPARTMENT OF REVENUE WITHIN TEN DAYS AFTER THE
24 CLOSE OF EACH RACE MEETING. THE AMOUNTS COLLECTED SHALL BE PAID
25 INTO THE STATE TREASURY TO THE CREDIT OF THE STATE RACING FUND.
26 BEFORE ANY CORPORATION LIABLE TO PAY THE TAX SHALL HOLD ANY RACE
27 MEETING, OR EXERCISE ANY OF THE POWERS CONFERRED BY THIS ACT,
28 THE CORPORATION SHALL PAY ALL TAXES DUE AND FILE A STATEMENT
29 WITH THE DEPARTMENT OF REVENUE CONTAINING THE NAME OF THE PLACE
30 AND STATING THE TIME WHEN THE RACES ARE TO BE HELD. NOTHING IN

1 THIS SECTION SHALL APPLY TO A RACE MEETING CONDUCTED BY ANY
2 STATE, COUNTY OR OTHER AGRICULTURAL ASSOCIATION.

3 (C) THE DEPARTMENT OF REVENUE SHALL HAVE THE POWER TO
4 EXAMINE THE BOOKS AND RECORDS OF THE CORPORATION CONDUCTING ANY
5 HORSE RACE MEETING AND MAY HEAR TESTIMONY AND TAKE PROOFS AND
6 MATERIAL FOR ITS INFORMATION, OR FROM ANY OTHER DATA WHICH SHALL
7 BE SATISFACTORY TO IT. THE DEPARTMENT OF REVENUE MAY ORDER AND
8 STATE AN ACCOUNT FOR THE TAX DUE THE STATE, TOGETHER WITH THE
9 EXPENSE OF SUCH EXAMINATION. A PENALTY OF 5% AND INTEREST AT THE
10 RATE OF 1% PER MONTH FROM THE DUE DATE TO THE DATE OF PAYMENT OF
11 THE TAX SHALL BE PAYABLE IN CASE ANY TAX IMPOSED BY THIS SECTION
12 IS NOT PAID WHEN DUE.

13 SECTION 209. LICENSES FOR HORSE RACE MEETINGS.

14 (A) ANY CORPORATION DESIRING TO CONDUCT HORSE RACE MEETINGS
15 AT WHICH PARI-MUTUEL WAGERING SHALL BE PERMITTED MAY APPLY TO
16 THE APPROPRIATE COMMISSION FOR A LICENSE. THE LICENSE GIVES ITS
17 HOLDER THE PRIVILEGE TO CONDUCT HORSE RACE MEETINGS AT WHICH
18 PARI-MUTUEL WAGERING IS PERMITTED. THE LICENSE DOES NOT GIVE ITS
19 HOLDER A PROPERTY RIGHT. IF, IN THE JUDGMENT OF THE APPROPRIATE
20 COMMISSION, THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY WILL
21 BE SERVED AND A PROPER CASE FOR THE ISSUANCE OF THE LICENSE IS
22 SHOWN, THE APPROPRIATE COMMISSION MAY ISSUE THE LICENSE. THE
23 LICENSE SHALL REMAIN IN EFFECT SO LONG AS THE LICENSED
24 CORPORATION COMPLIES WITH ALL CONDITIONS, RULES AND REGULATIONS
25 AND PROVISIONS OF THIS ACT. A COMMISSION MAY REVOKE OR SUSPEND
26 THE LICENSE OF ANY CORPORATION, IF THE COMMISSION FINDS BY A
27 PREPONDERANCE OF THE EVIDENCE THAT THE CORPORATION, ITS
28 OFFICERS, EMPLOYEES OR AGENTS, HAS NOT COMPLIED WITH THE
29 CONDITIONS, RULES, REGULATIONS AND PROVISIONS OF THIS ACT AND
30 THAT IT WOULD BE IN THE PUBLIC INTEREST, CONVENIENCE OR

1 NECESSITY TO REVOKE OR SUSPEND THE LICENSE. A LICENSE IS NOT
2 TRANSFERABLE.

3 (B) EVERY LICENSE SHALL BE ISSUED UPON THE FOLLOWING
4 CONDITIONS:

5 (1) A HORSE RACE MEETING AT WHICH PARI-MUTUEL WAGERING
6 IS CONDUCTED IS SUBJECT TO THE SUPERVISION OF AND TO THE
7 REASONABLE RULES AND REGULATIONS PRESCRIBED BY THE
8 APPROPRIATE COMMISSION.

9 (2) PARI-MUTUEL WAGERING CONDUCTED IS ALSO SUBJECT TO
10 THE SUPERVISION OF AND TO THE REASONABLE REGULATIONS
11 PRESCRIBED BY THE DEPARTMENT OF REVENUE. ANY LICENSE MAY ALSO
12 BE ISSUED UPON ANY OTHER CONDITION THAT THE APPROPRIATE
13 COMMISSION DETERMINES TO BE NECESSARY OR DESIRABLE TO INSURE
14 THAT THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY IS SERVED.

15 (3) THE CORPORATION CAN PROVE BY A PREPONDERANCE OF THE
16 EVIDENCE THAT IT HAS OBTAINED THE USE OF A FACILITY TO
17 CONDUCT HORSE RACE MEETINGS. THE PROOF MAY BE DEMONSTRATED BY
18 DOCUMENTATION OF AN OWNERSHIP INTEREST IN THE FACILITY OR BY
19 A WRITTEN LEASE FOR USE OF THE FACILITY. FOR PURPOSES OF THIS
20 PARAGRAPH, AN OWNERSHIP INTEREST SHALL MEAN THAT A LICENSED
21 CORPORATION DIRECTLY OR THROUGH A PARENT OR SUBSIDIARY HAS AT
22 LEAST A 35% EQUITY INTEREST IN THE TRACK FACILITY AT WHICH IT
23 CONDUCTS HORSE RACE MEETINGS OR IS THE PRIMARY TENANT AT SUCH
24 FACILITY. FOR PURPOSES OF THIS PARAGRAPH, A PRIMARY TENANT
25 SHALL BE THAT LICENSED CORPORATION, IF ANY, WHICH IS A TENANT
26 CONDUCTING HORSE RACING MEETINGS AT A TRACK FACILITY AT WHICH
27 NO LICENSED CORPORATION CONDUCTING HORSE RACE MEETINGS HAS
28 DIRECTLY OR THROUGH A PARENT OR SUBSIDIARY AT LEAST A 35%
29 EQUITY INTEREST IN SUCH FACILITY, AND IF THERE IS MORE THAN
30 ONE SUCH TENANT AT ANY SUCH FACILITY DURING THE YEAR PRIOR TO

1 THE YEAR FOR WHICH DATES ARE REQUESTED, THEN AMONG OR BETWEEN
2 SUCH TENANTS THE PRIMARY TENANT, IF ANY, SHALL BE DESIGNATED
3 BY AGREEMENT AMONG OR BETWEEN THOSE LICENSED CORPORATIONS
4 WHICH PROPOSE TO CONDUCT HORSE RACE MEETINGS AT THE SAID
5 TRACK FACILITY DURING THE YEAR FOR WHICH DATES ARE REQUESTED.

6 (4) THE CORPORATION POSTS, IN FAVOR OF THE APPROPRIATE
7 COMMISSION, A BOND OR IRREVOCABLE LETTER OF CREDIT IN AN
8 AMOUNT EQUAL TO THE SUM OF THE CORPORATION'S AVERAGE WEEKLY
9 PAYMENT, DURING ACTIVE RACING, INTO THE STATE RACING FUND, AS
10 DETERMINED BY THE APPROPRIATE COMMISSION ON THE BASIS OF THE
11 IMMEDIATELY PRECEDING YEAR, DURING THE YEAR FOR WHICH DATES
12 ARE REQUESTED.

13 (5) THE LICENSED CORPORATION PRINTS IN ITS RACING
14 PROGRAMS THE PROCEDURE FOR FILING A COMPLAINT WITH THE
15 APPROPRIATE COMMISSION.

16 (C) APPLICATIONS FOR LICENSES SHALL BE IN THE FORM
17 PRESCRIBED BY THE APPROPRIATE COMMISSION AND SHALL CONTAIN
18 INFORMATION, MATERIAL OR EVIDENCE AS THE APPROPRIATE COMMISSION
19 MAY REQUIRE. THE TERM "RACING WEEK" SHALL INCLUDE SUNDAY AT THE
20 DISCRETION OF THE LICENSED CORPORATION.

21 (D) IN CONSIDERING AN APPLICATION FOR A LICENSE TO A
22 CORPORATION, THE COMMISSIONS MAY GIVE CONSIDERATION TO THE
23 NUMBER OF LICENSES ALREADY GRANTED. NO LICENSE SHALL BE GRANTED
24 TO ANY TRACK LOCATED WITHIN TEN MILES OF A STATE, COUNTY OR
25 OTHER POLITICAL SUBDIVISION FAIR CONDUCTING HORSE RACING UNLESS
26 THE ASSOCIATION, CORPORATION, SOCIETY, POLITICAL SUBDIVISION OR
27 STATE AGENCY CONDUCTING THE FAIR SHALL AFFIRMATIVELY WAIVE
28 OBJECTION TO THE ISSUANCE OF THE LICENSE FOR DATES WITHIN THE
29 PERIOD.

30 (E) THE COMMISSIONS MAY REFUSE TO GRANT, MAY REVOKE, OR MAY

1 SUSPEND A LICENSE TO A CORPORATION, IF IT SHALL DETERMINE THAT:

2 (1) ANY OFFICER, DIRECTOR, MEMBER OR STOCKHOLDER OF THE
3 CORPORATION APPLYING FOR A LICENSE OR OF ANY CORPORATION
4 WHICH OWNS STOCK IN OR SHARES IN THE PROFITS, OR PARTICIPATES
5 IN THE MANAGEMENT OF THE AFFAIRS OF THE APPLICANT, OR WHICH
6 LEASES TO THE APPLICANT THE TRACK WHERE IT SHALL OPERATE:

7 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
8 TURPITUDE;

9 (II) HAS ENGAGED IN BOOKMAKING OR OTHER FORMS OF
10 ILLEGAL GAMBLING;

11 (III) HAS BEEN FOUND GUILTY OF ANY FRAUD OR
12 MISREPRESENTATION IN CONNECTION WITH RACING OR BREEDING;

13 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
14 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
15 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
16 IMPOSED IN SUCH JURISDICTION; OR

17 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
18 THE COMMISSIONS.

19 (2) THE EXPERIENCE, CHARACTER OR FITNESS OF ANY OFFICER,
20 DIRECTOR OR STOCKHOLDER OF ANY OF THE CORPORATIONS IS SUCH
21 THAT THE PARTICIPATION OF THE PERSON IN HORSE RACING OR
22 RELATED ACTIVITIES WOULD BE INCONSISTENT WITH THE PUBLIC
23 INTEREST, CONVENIENCE OR NECESSITY OR WITH THE BEST INTERESTS
24 OF RACING. IF THE COMMISSION DETERMINES THAT THE INTEREST OF
25 ANY STOCKHOLDER REFERRED TO IN THIS PARAGRAPH OR IN PARAGRAPH
26 (1) IS INSUFFICIENT TO AFFECT ADVERSELY THE CONDUCT OF PARI-
27 MUTUEL HORSE RACING BY THE CORPORATION IN ACCORDANCE WITH THE
28 PROVISIONS OF THIS ACT, THE COMMISSIONS MAY DISREGARD THE
29 INTEREST IN DETERMINING WHETHER OR NOT TO GRANT A LICENSE TO
30 THE CORPORATION.

1 (3) THE APPLICANT IS NOT THE OWNER OR THE LESSEE OF THE
2 TRACK AT WHICH IT WILL CONDUCT PARI-MUTUEL HORSE RACING UNDER
3 THE LICENSE APPLIED FOR, OR THAT ANY PERSON, FIRM,
4 ASSOCIATION OR CORPORATION OTHER THAN THE APPLICANT SHARES,
5 OR WILL SHARE, IN THE PROFITS OF THE APPLICANT, OTHER THAN BY
6 DIVIDENDS AS A STOCKHOLDER, OR PARTICIPATES, OR WILL
7 PARTICIPATE IN THE MANAGEMENT OF THE AFFAIRS OF THE
8 APPLICANT.

9 (4) THE CORPORATION DOES NOT HAVE THE USE OF A FACILITY
10 TO CONDUCT HORSE RACE MEETINGS. SUCH USE MUST BE PROVED BY A
11 PREPONDERANCE OF THE EVIDENCE. THE PROOF MAY BE DEMONSTRATED
12 BY DOCUMENTATION OF AN OWNERSHIP INTEREST IN THE FACILITY OR
13 BY A WRITTEN LEASE FOR USE OF THE FACILITY.

14 (5) A LICENSED CORPORATION DOES NOT HAVE PROOF OF A
15 WRITTEN LEASE OF A FACILITY TO CONDUCT HORSE RACE MEETINGS.
16 UNDER THIS PARAGRAPH, THE APPROPRIATE COMMISSION MAY SUSPEND
17 A LICENSE FOR A PERIOD OF TWO YEARS. AFTER THE EXPIRATION OF
18 THE SUSPENSION, THE APPROPRIATE COMMISSION MAY THEN REVOKE
19 THE LICENSE, IF THE LICENSED CORPORATION HAS FAILED TO
20 CONTRACT FOR A FACILITY AT WHICH TO CONDUCT HORSE RACE
21 MEETINGS.

22 (6) A LICENSED CORPORATION HAS COMMINGLED HORSEMEN'S
23 FUNDS IN VIOLATION OF SECTION 235(C) OR HAS REFUSED TO PLACE
24 ON DEPOSIT A LETTER OF CREDIT UNDER SECTION 236.

25 (F) THE COMMISSIONS SHALL ALSO HAVE POWER TO REFUSE TO
26 GRANT, REVOKE OR SUSPEND A LICENSE:

27 (1) TO ANY CORPORATION, THE CHARTER OR CERTIFICATE OF
28 INCORPORATION OF WHICH SHALL FAIL TO CONTAIN A PROVISION
29 REQUIRING ANY STOCKHOLDER, UPON WRITTEN DEMAND OF THE
30 CORPORATION, TO SELL HIS STOCK TO THE CORPORATION AT A PRICE

1 TO BE FIXED BY THE APPROPRIATE COMMISSION, PROVIDED THE
2 DEMAND BE MADE PURSUANT TO WRITTEN DIRECTION OF THE
3 APPROPRIATE COMMISSION AND FROM THE DATE OF THE MAKING OF THE
4 DEMAND PROHIBITING THE TRANSFER OF THE CERTIFICATE OF STOCK
5 EXCEPT TO THE CORPORATION.

6 (2) TO ANY CORPORATION WHICH, HAVING BEEN A LICENSEE,
7 HAS FAILED, IN THE OPINION OF THE APPROPRIATE COMMISSION, TO
8 PROPERLY MAINTAIN ITS TRACK AND PLANT IN GOOD CONDITION OR
9 HAS FAILED TO MAKE ADEQUATE PROVISION FOR REHABILITATION AND
10 CAPITAL IMPROVEMENTS TO ITS TRACK AND PLANT.

11 (G) PENDING FINAL DETERMINATION OF ANY QUESTION UNDER THIS
12 SECTION, THE COMMISSIONS MAY ISSUE A TEMPORARY LICENSE UPON SUCH
13 TERMS AND CONDITIONS AS THEY SEE FIT TO EFFECTUATE THE
14 PROVISIONS OF THIS ACT.

15 (H) THE COMMISSIONS SHALL HAVE POWER TO DIRECT THAT EVERY
16 CERTIFICATE OF STOCK OF A LICENSED CORPORATION SHALL BEAR A
17 LEGEND, PLAINLY AND PROMINENTLY IMPRINTED UPON THE FACE OF THE
18 CERTIFICATE, READING: "THIS CERTIFICATE OF STOCK IS TRANSFERABLE
19 ONLY SUBJECT TO THE PROVISIONS OF THE 'RACE HORSE INDUSTRY
20 REFORM ACT'." THE PROVISIONS OF THIS SUBSECTION SHALL NOT APPLY
21 TO STOCK HERETOFORE ISSUED BY A LICENSED CORPORATION UNDER THE
22 PROVISIONS OF THE ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), AS
23 AMENDED, AND REFERRED TO AS THE PENNSYLVANIA THOROUGHBRED HORSE
24 RACING LAW OR OF THE ACT OF DECEMBER 22, 1959 (P.L.1978,
25 NO.728), AS AMENDED, AND REFERRED TO AS THE PENNSYLVANIA HARNESS
26 RACING LAW.

27 SECTION 210. SHAREHOLDERS.

28 (A) EACH LICENSED CORPORATION SHALL, ONCE A YEAR, PROVIDE
29 THE APPROPRIATE COMMISSION WITH A COMPLETE LIST OF ALL ITS
30 SHAREHOLDERS, INDICATING THE NUMBER OF SHARES BY EACH

1 SHAREHOLDER.

2 (B) IT SHALL BE THE DUTY OF EACH LICENSED CORPORATION WITHIN
3 TEN DAYS AFTER ANY TRANSFER OF STOCK COMPRISING AN INTEREST OF
4 5% OR MORE IN SUCH LICENSEE, TO NOTIFY THE APPROPRIATE
5 COMMISSION OF THE TRANSFER.

6 (C) EACH CERTIFICATE OF STOCK ISSUED BY A LICENSED
7 CORPORATION TO A SHAREHOLDER HAVING A 5% OR GREATER INTEREST
8 SHALL HAVE NOTED ON THE FACE THEREOF THAT THE PERSON WHOSE NAME
9 IS INDICATED AS THE OWNER OF SUCH SHARES OF STOCK BY THE
10 CERTIFICATE IS THE SOLE AND ABSOLUTE OWNER, AND THAT HE IS NOT
11 HOLDING SUCH SHARES OF STOCK OR ANY PORTION OF SUCH SHARES OF
12 STOCK REPRESENTED BY THE CERTIFICATE IN TRUST FOR ANY PERSON,
13 PARTNERSHIP, FIRM OR CORPORATION WHO OR WHICH IS PROHIBITED FROM
14 OWNING SUCH SHARES OF STOCK. IF ANY OF SUCH SHARES OF STOCK
15 REPRESENTED BY A CERTIFICATE OF STOCK ARE HELD SUBJECT TO THE
16 TERMS OF EITHER AN INTER VIVOS OR TESTAMENTARY TRUST FOR THE
17 BENEFIT OF ANY PERSON WHO COULD LAWFULLY OWN SUCH STOCK IN HIS
18 OWN NAME, THE FACT SHALL BE NOTED ON THE FACE OF THE CERTIFICATE
19 AND A COPY OF THE INSTRUMENT WHICH CREATED THE TRUST SHALL BE
20 ATTACHED. A DUPLICATE COPY OF THE INSTRUMENT WHICH CREATED THE
21 TRUST SHALL BE FILED WITH THE APPROPRIATE COMMISSION.

22 (D) NO PROPERTY RIGHTS SHALL EXIST IN ANY SHARES OF STOCK OF
23 ANY LICENSED CORPORATION WHICH ARE HELD IN TRUST CONTRARY TO THE
24 PROVISIONS OF THIS SECTION AND THE SAME SHALL BE FORFEITED TO
25 THE COMMONWEALTH AFTER REASONABLE NOTICE AND UPON HEARING AND
26 PROOF THEREOF IN ANY SUIT INSTITUTED BY THE ATTORNEY GENERAL OF
27 PENNSYLVANIA. UPON IT BEING ESTABLISHED THAT THE STOCK IS
28 SUBJECT TO FORFEITURE BY LEGAL ADJUDICATION, THE APPROPRIATE
29 COMMISSION SHALL SELL THE FORFEITED STOCK AT PUBLIC SALE, UPON
30 PROPER NOTICE, TO THE HIGHEST BIDDER. THE PROCEEDS FROM THE SALE

1 SHALL BE DEPOSITED IN THE GENERAL FUND OF THE COMMONWEALTH OF
2 PENNSYLVANIA.

3 (E) AS USED IN THIS SECTION, THE TERM "LICENSED CORPORATION"
4 SHALL INCLUDE ANY LICENSED CORPORATION AS DEFINED IN SECTION 102
5 AND ALSO ANY FIRM, ASSOCIATION OR CORPORATION WHICH OWNS OR
6 LEASES TO ANY LICENSED ASSOCIATION OR CORPORATION A RACE TRACK
7 AT WHICH PARI-MUTUEL RACING IS CONDUCTED, OR ANY FIRM,
8 ASSOCIATION OR CORPORATION WHICH PARTICIPATES IN THE MANAGEMENT
9 OF ANY SUCH LICENSED CORPORATION.

10 SECTION 211. PROHIBITION OF INTEREST BY PUBLIC OFFICERS, PUBLIC
11 EMPLOYEES AND PARTY OFFICERS IN PARI-MUTUEL RACING
12 ACTIVITIES.

13 (A) NO PUBLIC OFFICER, PUBLIC EMPLOYEE OR PARTY OFFICER
14 SHALL:

15 (1) HOLD ANY LICENSE TO CONDUCT A PARI-MUTUEL MEET FROM
16 THE COMMISSIONS;

17 (2) OWN OR HOLD, DIRECTLY OR INDIRECTLY, ANY PROPRIETARY
18 INTEREST, STOCK OR OBLIGATION OF ANY FIRM, ASSOCIATION OR
19 CORPORATION:

20 (I) WHICH IS LICENSED BY THE COMMISSIONS TO CONDUCT
21 PARI-MUTUEL RACING;

22 (II) WHICH IS LICENSED TO CONDUCT ITS OCCUPATION,
23 TRADE OR BUSINESS AT RACE TRACKS AT WHICH PARI-MUTUEL
24 RACE MEETS ARE CONDUCTED;

25 (III) WHICH OWNS OR LEASES TO ANY LICENSED
26 ASSOCIATION OR CORPORATION A RACE TRACK AT WHICH PARI-
27 MUTUEL RACING IS CONDUCTED; OR

28 (IV) WHICH PARTICIPATES IN THE MANAGEMENT OF ANY
29 LICENSED CORPORATION CONDUCTING PARI-MUTUEL RACING; AND

30 (3) HOLD ANY OFFICE OR EMPLOYMENT WITH ANY FIRM,

1 ASSOCIATION OR CORPORATION SPECIFIED IN PARAGRAPH (2); OR
2 (4) SELL OR BE A MEMBER OF A FIRM OR OWN 10% OR MORE OF
3 THE STOCK OF ANY CORPORATION WHICH SELLS ANY GOODS OR
4 SERVICES TO ANY FIRM, ASSOCIATION OR CORPORATION SPECIFIED IN
5 PARAGRAPH (2).

6 THE PROVISIONS OF PARAGRAPH (3) SHALL NOT APPLY TO A PUBLIC
7 EMPLOYEE OTHER THAN A POLICE OFFICER OR PAID EMPLOYEE OF A
8 POLICE DEPARTMENT, SHERIFF'S OFFICE, DISTRICT ATTORNEY'S OFFICE
9 OR OTHER LAW ENFORCEMENT AGENCY SO LONG AS SUCH EMPLOYMENT OF
10 EMPLOYEES OF A POLITICAL SUBDIVISION MAY BE PROHIBITED BY
11 ORDINANCE, RESOLUTION OR LOCAL LAW.

12 (B) A KNOWING AND WILLFUL VIOLATION OF THIS SECTION SHALL BE
13 CAUSE FOR REMOVAL FROM PUBLIC OFFICE, PUBLIC EMPLOYMENT OR PARTY
14 OFFICE. IN ANY SUCH CASE, THE PUBLIC OFFICER, PUBLIC EMPLOYEE OR
15 PARTY OFFICER, VIOLATING THIS SECTION, SHALL BE REMOVED FROM
16 OFFICE BY APPROPRIATE AUTHORITY HAVING THE POWER OF REMOVAL.

17 (C) THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT
18 SHALL HAVE, UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, THE
19 MEANINGS GIVEN TO THEM IN THIS SECTION:

20 "PARTY OFFICER." THE FOLLOWING MEMBERS OR OFFICERS OF ANY
21 POLITICAL PARTY:

22 (1) A MEMBER OF A NATIONAL COMMITTEE;

23 (2) A CHAIRMAN, VICE-CHAIRMAN, SECRETARY, TREASURER OR
24 COUNSEL OF A STATE COMMITTEE OR MEMBER OF THE EXECUTIVE
25 COMMITTEE OF A STATE COMMITTEE;

26 (3) A COUNTY CHAIRMAN, VICE-CHAIRMAN, COUNSEL, SECRETARY
27 OR TREASURER OF A COUNTY COMMITTEE; OR

28 (4) A CITY CHAIRMAN, VICE-CHAIRMAN, COUNSEL, SECRETARY
29 OR TREASURER OF A CITY COMMITTEE.

30 "PUBLIC EMPLOYEE." EVERY PERSON EMPLOYED BY THE COMMONWEALTH

1 OR ANY POLITICAL SUBDIVISION THEREOF.

2 "PUBLIC OFFICER." EVERY PERSON ELECTED TO ANY PUBLIC OFFICE
3 OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF.

4 (D) THE COMMISSIONS SHALL HAVE THE POWER TO REFUSE TO GRANT
5 OR TO REVOKE OR SUSPEND A LICENSE OF ANY FIRM, ASSOCIATION OR
6 CORPORATION WHICH AIDS OR KNOWINGLY PERMITS OR CONSPIRES TO
7 PERMIT ANY PUBLIC OFFICER, PUBLIC EMPLOYEE OR PARTY OFFICER TO
8 ACQUIRE OR RETAIN ANY INTEREST PROHIBITED BY THIS SECTION.

9 (E) THE PROVISIONS OF THIS SECTION SHALL ALLOW ANY PERSON
10 OTHER THAN MEMBERS, EMPLOYEES OR APPOINTEES OF THE COMMISSIONS
11 TO OWN AND TO BE LICENSED TO RACE A HORSE AT ANY LICENSED RACE
12 TRACK.

13 SECTION 212. OFFICIALS AT HORSE RACE MEETINGS.

14 (A) AT ALL THOROUGHBRED HORSE RACE MEETINGS LICENSED BY THE
15 STATE HORSE RACING COMMISSION, QUALIFIED JUDGES AND STARTERS
16 SHALL BE APPROVED BY THE COMMISSION. THESE OFFICIALS SHALL
17 ENFORCE THE RULES AND REGULATIONS OF THE STATE HORSE RACING
18 COMMISSION AND SHALL RENDER WRITTEN REPORTS OF THE ACTIVITIES
19 AND CONDUCT OF SUCH RACE MEETINGS TO THE STATE HORSE RACING
20 COMMISSION. THE COMPENSATION OF THESE JUDGES AND STARTERS SHALL
21 BE PAID BY THE CORPORATION CONDUCTING THE RACE MEETING.

22 (B) AT ALL HARNESS RACE MEETINGS LICENSED BY THE STATE
23 HARNESS RACING COMMISSION, QUALIFIED JUDGES AND STARTERS SHALL
24 BE APPROVED BY THE COMMISSION. NO PERSON SHALL BE APPROVED AS A
25 JUDGE OR STARTER UNLESS HE IS LICENSED BY THE UNITED STATES
26 TROTTING ASSOCIATION AS A DULY QUALIFIED PARI-MUTUEL RACE
27 MEETING OFFICIAL. THE OFFICIALS SHALL ENFORCE THE RULES AND
28 REGULATIONS OF THE STATE HARNESS RACING COMMISSION AND SHALL
29 RENDER REGULAR WRITTEN REPORTS OF THE ACTIVITIES AND CONDUCT OF
30 THE RACE MEETINGS TO THE STATE HARNESS RACING COMMISSION. THE

1 COMPENSATION OF THE PRESIDING JUDGE AND TWO ASSOCIATE JUDGES AT
2 EACH RACE TRACK SHALL BE FIXED AND PAID BY THE STATE HARNESS
3 RACING COMMISSION. THE COMMISSION SHALL ADOPT A SELECTION
4 PROCESS TO APPROVE THE APPOINTMENT OF THESE OFFICIALS. THE
5 LICENSED CORPORATIONS SHALL PARTICIPATE IN THIS SELECTION
6 PROCESS FOR APPROVAL OF THESE OFFICIALS.

7 SECTION 213. LICENSES FOR COMMISSIONERS, EMPLOYEES AND
8 PARTICIPANTS AT HORSE RACE MEETINGS.

9 (A) EACH COMMISSION SHALL LICENSE TRAINERS, JOCKEYS,
10 DRIVERS, PERSONS PARTICIPATING IN THOROUGHBRED AND HARNESS HORSE
11 RACE MEETINGS, HORSE OWNERS AND ALL OTHER PERSONS AND VENDORS
12 EXERCISING THEIR OCCUPATION OR EMPLOYED AT THOROUGHBRED AND
13 HARNESS HORSE RACE MEETINGS. THE LICENSE GIVES ITS HOLDER A
14 PRIVILEGE TO ENGAGE IN THE SPECIFIED ACTIVITY, BUT THE LICENSE
15 DOES NOT GIVE ITS HOLDER A PROPERTY RIGHT. LICENSES ARE NOT
16 TRANSFERABLE. EACH COMMISSION SHALL FIX THE LICENSE FEES TO BE
17 PAID BY PERSONS OR CORPORATIONS SO LICENSED; PROVIDED, HOWEVER,
18 THAT SUCH OCCUPATIONAL LICENSE FEES SHALL NOT EXCEED \$100. ALL
19 FEES SHALL BE PAID TO THE COMMISSIONS AND BY THEM PAID INTO THE
20 STATE TREASURY THROUGH THE DEPARTMENT OF REVENUE AND CREDITED TO
21 THE STATE RACING FUND. THE APPLICATION SHALL BE IN THE FORM AND
22 CONTAIN THE INFORMATION AS EACH COMMISSION MAY REQUIRE.
23 APPLICANTS MUST HAVE THEIR FINGERPRINTS TAKEN OR HAVE
24 FINGERPRINT RECORDS ON FILE WITH THE RESPECTIVE COMMISSION, THE
25 FEDERAL BUREAU OF INVESTIGATION, THE STATE POLICE OR ANY OTHER
26 ORGANIZATION RECOGNIZED BY THE RESPECTIVE COMMISSION AS PART OF
27 THE BACKGROUND INVESTIGATION. EACH COMMISSION MAY EXEMPT
28 APPLICANTS FROM THE FINGERPRINT REQUIREMENT FOR POSITIONS NOT
29 RELATED TO THE CARE OR TRAINING OF HORSES, RACING, WAGERING,
30 SECURITY OR THE MANAGEMENT OPERATIONS OF THE RACING CORPORATION

1 OR RACETRACK. ALL LICENSES SHALL BE ISSUED FOR THREE-YEAR TERMS
2 AND SHALL BE AUTOMATICALLY RENEWED, UPON PAYMENT OF THE REQUIRED
3 FEE, UNLESS SUBSECTION (F) APPLIES. EACH COMMISSION MAY
4 ESTABLISH A TEMPORARY LICENSE AND FEE VALID FOR FOUR MONTHS
5 WITHIN A TWELVE-MONTH PERIOD. NO APPLICANT, HOWEVER, MAY RECEIVE
6 MORE THAN ONE TEMPORARY LICENSE WITHIN 12 MONTHS OF THE ISSUANCE
7 OF HIS OR HER PRECEDING TEMPORARY LICENSE. THE COMMISSIONS MAY
8 ALSO STAGGER THE TERMINATION DATES AND RENEWAL DATES OF THE
9 LICENSES, IN ORDER TO PROCESS AND ISSUE THE LICENSES IN AN
10 ORDERLY MANNER THAT PROVIDES FOR APPROXIMATELY ONE-THIRD OF THE
11 LICENSES TO BE RENEWED EACH YEAR. THE COMMISSIONS SHALL FIX THE
12 MANNER BY WHICH LICENSES ARE PROCESSED AND ISSUED BY RULE OR
13 REGULATION.

14 (B) ALL COMMISSIONERS AND ALL EMPLOYEES, AGENTS AND
15 REPRESENTATIVES OF THE COMMISSIONS SHALL BE LICENSED UNDER THIS
16 ACT. THERE SHALL BE NO FEE FOR THIS LICENSE. THE COMMISSIONS
17 SHALL FIX BY RULE OR REGULATION THE MANNER IN WHICH THESE
18 LICENSES UNDER THIS SUBSECTION SHALL BE PROCESSED AND ISSUED.

19 (C) IF THE COMMISSIONS FIND THAT THE EXPERIENCE, CHARACTER
20 AND GENERAL FITNESS OF THE APPLICANT ARE SUCH THAT THE
21 PARTICIPATION OF THE PERSON IN HORSE RACE MEETS IS CONSISTENT
22 WITH THE PUBLIC INTEREST, CONVENIENCE AND NECESSITY, AND WITH
23 THE BEST INTERESTS OF RACING GENERALLY IN CONFORMITY WITH THE
24 PURPOSES OF THIS ACT, IT MAY GRANT A LICENSE.

25 (D) THE COMMISSIONS MAY REFUSE TO ISSUE A LICENSE UNDER THIS
26 SECTION, IF THEY SHALL FIND THAT THE APPLICANT:

27 (1) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
28 TURPITUDE.

29 (2) HAS ENGAGED IN BOOKMAKING OR OTHER FORM OF ILLEGAL
30 GAMBLING.

1 (3) HAS BEEN FOUND GUILTY OF ANY FRAUD OR
2 MISREPRESENTATION IN CONNECTION WITH RACING OR BREEDING.

3 (4) HAS BEEN FOUND GUILTY OF ANY VIOLATION OR ATTEMPT TO
4 VIOLATE ANY LAW, RULE OR REGULATION OF RACING IN ANY
5 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
6 IMPOSED IN THAT JURISDICTION.

7 (5) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF THE
8 COMMISSIONS.

9 (D.1) THE COMMISSIONS SHALL REFUSE TO ISSUE A LICENSE UNDER
10 THIS SECTION IF THEY SHALL FIND THAT THE APPLICANT HAS BEEN
11 CONVICTED OF AN OFFENSE RELATING TO FIXING RACES. THIS
12 SUBSECTION SHALL NOT APPLY IF THE CONVICTION IS OVERTURNED ON
13 APPEAL UNDER THE LAWS OF THE JURISDICTION OF THE ORIGINAL
14 FINDING.

15 (E) EACH COMMISSION SHALL HAVE THE RIGHT TO INSPECT ALL
16 CONTRACTS BETWEEN LICENSED CORPORATIONS AND VENDORS FOR GOODS
17 AND SERVICES. EACH COMMISSION SHALL REQUIRE BY RULE OR
18 REGULATION THAT VENDORS DISCLOSE TO THE APPROPRIATE COMMISSION
19 ALL PRINCIPAL OFFICERS AND A DESCRIPTION OF THEIR INTERESTS IN
20 THE VENDORS' BUSINESS. FAILURE TO PROPERLY DISCLOSE THIS
21 INFORMATION SHALL CONSTITUTE GROUNDS TO DENY, TO REVOKE OR TO
22 SUSPEND ANY VENDOR'S LICENSE ISSUED UNDER THE PROVISIONS OF THIS
23 ACT.

24 (F) THE COMMISSIONS MAY SUSPEND, REFUSE TO RENEW OR REVOKE A
25 LICENSE ISSUED UNDER THIS SECTION, IF IT SHALL DETERMINE THAT:

26 (1) THE APPLICANT OR LICENSEE:

27 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
28 TURPITUDE;

29 (II) HAS ENGAGED IN BOOKMAKING OR OTHER FORM OF
30 ILLEGAL GAMBLING;

1 (III) HAS BEEN FOUND GUILTY OF ANY FRAUD IN
2 CONNECTION WITH RACING OR BREEDING;

3 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
4 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
5 JURISDICTION FOR WHICH SUSPENSION FROM RACING MIGHT BE
6 IMPOSED IN THAT JURISDICTION;

7 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
8 THE COMMISSIONS; OR

9 (VI) HAS BEEN CONVICTED OF A FELONY OFFENSE RELATED
10 TO THE USE, POSSESSION OR SALE OF DRUGS OR ALCOHOL.

11 (2) THAT THE EXPERIENCE, CHARACTER OR GENERAL FITNESS OF
12 ANY APPLICANT OR LICENSEE IS SUCH THAT THE PARTICIPATION OF
13 THE PERSON IN HORSE RACING OR RELATED ACTIVITIES WOULD BE
14 INCONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE OR
15 NECESSITY OR WITH THE BEST INTERESTS OF RACING.

16 (F.1) THE COMMISSIONS SHALL SUSPEND, REFUSE TO RENEW OR
17 REVOKE A LICENSE ISSUED UNDER THIS SECTION IF IT SHALL DETERMINE
18 THAT THE APPLICANT OR LICENSEE HAS BEEN CONVICTED OF AN OFFENSE
19 RELATED TO FIXING RACES UNLESS THE CONVICTION HAS BEEN
20 OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION OF THE
21 ORIGINAL FINDING.

22 (G) PENDING FINAL DETERMINATION OF ANY QUESTION UNDER THIS
23 SECTION, THE COMMISSIONS MAY ISSUE A TEMPORARY LICENSE UPON SUCH
24 TERMS AND CONDITIONS AS THEY MAY DEEM NECESSARY OR PROPER TO
25 EFFECTUATE THE PROVISIONS OF THIS ACT.

26 (H) THE COMMISSIONS MAY SUSPEND A LICENSE UNDER SUBSECTION
27 (F) PENDING A HEARING ON THE MATTER. THE HEARING MUST TAKE PLACE
28 WITHIN TEN DAYS OF THE SUSPENSION.

29 (I) THE COMMISSIONS SHALL NOT GRANT LICENSES TO CITIZENS OF
30 STATES THAT DO NOT GRANT LICENSES TO CITIZENS OF THIS

1 COMMONWEALTH ON THE BASIS OF IN-STATE PREFERENCE.
2 SECTION 214. POWER OF COMMISSIONS TO IMPOSE FINES AND
3 PENALTIES.

4 (A) IN ADDITION TO THEIR POWER TO SUSPEND OR REVOKE LICENSES
5 GRANTED BY THEM, THE COMMISSIONS ARE AUTHORIZED AND EMPOWERED TO
6 IMPOSE FINES UPON ANY CORPORATION, ASSOCIATION OR PERSON
7 PARTICIPATING IN ANY WAY IN ANY HORSE RACE MEET AT WHICH PARI-
8 MUTUEL WAGERING IS CONDUCTED, OTHER THAN AS A PATRON AND WHETHER
9 LICENSED BY THE COMMISSIONS OR NOT, FOR A VIOLATION OF ANY
10 PROVISION OF THIS ACT OR THE RULES AND REGULATIONS PROMULGATED
11 BY THE COMMISSIONS, NOT EXCEEDING \$5,000 FOR EACH VIOLATION,
12 WHICH FINES SHALL BE PAID INTO THE STATE TREASURY THROUGH THE
13 DEPARTMENT OF REVENUE AND CREDITED TO THE GENERAL FUND.
14 FOLLOWING EXHAUSTION OF ANY ADMINISTRATIVE REMEDIES PROMULGATED
15 BY THE COMMISSIONS FOR SUCH PURPOSE, THE ACTION OF THE
16 COMMISSIONS IN IMPOSING ANY MONETARY FINE SHALL BE SUBJECT TO
17 APPEAL TO THE COMMONWEALTH COURT AND AS APPROVED BY THAT COURT
18 SYSTEM, OR IF NO COURT APPEAL IS TAKEN, THEN AS IMPOSED, MAY BE
19 COLLECTED IN AN ACTION OF ASSUMPSIT.

20 (B) NO OFFICER OR EMPLOYEE OF A LICENSED CORPORATION OR
21 THEIR SPOUSES, PARENTS, FATHERS-IN-LAW, MOTHERS-IN-LAW, SONS,
22 DAUGHTERS, SONS-IN-LAW OR DAUGHTERS-IN-LAW SHALL HAVE ANY DIRECT
23 OR INDIRECT INTEREST IN A RACE HORSE THAT IS PARTICIPATING IN A
24 RACE AT A MEET AT WHICH SUCH PERSON OR HERETOFORE-MENTIONED
25 RELATIVE HOLDS ANY INTEREST IN THE LICENSED CORPORATION
26 CONDUCTING THE MEET AND/OR THE TRACK FACILITY. AN OFFICER OR
27 EMPLOYEE OF A LICENSED CORPORATION OR THEIR SPOUSES, PARENTS,
28 FATHERS-IN-LAW, MOTHERS-IN-LAW, SONS, DAUGHTERS, SONS-IN-LAW OR
29 DAUGHTERS-IN-LAW MAY HAVE AN INTEREST IN A RACE HORSE AND ENTER
30 IT AT MEETS THAT ARE CONDUCTED BY LICENSED CORPORATIONS OR AT

1 RACE TRACKS IN WHICH SUCH A PERSON OR HERETOFORE-MENTIONED
2 RELATIVE HOLDS NO DIRECT OR INDIRECT INTEREST. EACH COMMISSION
3 SHALL IMPOSE A FINE OR PENALTY UPON ANY PERSON FOR VIOLATION OF
4 THIS SUBSECTION AS PROVIDED FOR UNDER SUBSECTION (A). FOR
5 PURPOSES OF THIS SUBSECTION AN INTEREST SHALL NOT INCLUDE:

6 (1) ANY BREEDER'S FUND AWARD AS A RESULT OF A HORSE
7 BEING A REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE UNDER
8 THE PROVISIONS OF SECTION 223; AND

9 (2) ANY INTEREST IN A LICENSED CORPORATION OR TRACK
10 FACILITY THAT WAS HELD BY A PERSON, PARTNERSHIP, ASSOCIATION
11 OR CORPORATION ON OR BEFORE JANUARY 1, 1988.

12 SECTION 215. SECURITY PERSONNEL; POWERS AND DUTIES; PENALTY.

13 (A) THE COMMISSIONS AND ANY LICENSED CORPORATIONS ARE
14 AUTHORIZED AND EMPOWERED TO EMPLOY PERSONS AS SECURITY
15 PERSONNEL. THESE PERSONS SHALL POSSESS THE POWERS AND DUTIES OF
16 A PEACE OFFICER WITH RESPECT TO THE ENFORCEMENT OF THE CRIMINAL
17 LAWS OF THE COMMONWEALTH WITHIN THE RACE MEETING GROUNDS OR
18 ENCLOSURE. THE DESIGNATED PERSONS ARE ALSO AUTHORIZED TO
19 INTERROGATE AND EJECT FROM THE RACE MEETING GROUNDS OR ENCLOSURE
20 ANY PERSONS SUSPECTED OF VIOLATING ANY RULE OR REGULATION
21 PROMULGATED BY THE COMMISSIONS. THE COMMISSIONS MAY REFUSE
22 ADMISSION TO AND EJECT FROM ENCLOSURE OF THE RACE TRACK OPERATED
23 BY ANY LICENSED CORPORATION, ANY PERSON WHOSE PRESENCE THERE IS,
24 IN THE JUDGMENT OF THE COMMISSION, INCONSISTENT WITH THE ORDERLY
25 OR PROPER CONDUCT OF A RACE MEETING OR WHOSE PRESENCE OR CONDUCT
26 IS DEEMED DETRIMENTAL TO THE BEST INTEREST OF HORSE RACING. THE
27 ACTION OF THE COMMISSIONS IN REFUSING ANY PERSON ADMISSION, OR
28 EJECTING HIM FROM, A RACE MEETING GROUND OR ENCLOSURE SHALL NOT
29 BE BECAUSE OF THE RACE, CREED, COLOR, SEX, NATIONAL ORIGIN OR
30 RELIGION OF THAT PERSON AND SHALL BE REVIEWABLE BY THE

1 COMMONWEALTH COURT.

2 (B) EXCEPT AS PROVIDED FOR IN SUBSECTIONS (C) AND (D), ANY
3 LICENSED CORPORATION MAY REFUSE ADMISSION TO AND EJECT FROM THE
4 ENCLOSURE OF THE RACE TRACK OPERATED BY ANY ASSOCIATION ANY
5 PERSON EXCEPT THAT NO PERSON SHALL BE REFUSED ADMISSION OR BE
6 EJECTED BECAUSE OF THE RACE, COLOR, CREED, SEX, NATIONAL ORIGIN
7 OR RELIGION OF THAT PERSON.

8 (C) A LICENSED CORPORATION MAY REFUSE ADMISSION TO AND EJECT
9 FROM THE ENCLOSURE OF THE RACE TRACK OPERATED BY THE
10 CORPORATION, ANY PERSON LICENSED BY THE COMMISSIONS UNDER
11 SECTION 213, EMPLOYED AT HIS OCCUPATION AT THE RACE TRACK, WHOSE
12 PRESENCE THERE IS DEEMED DETRIMENTAL TO THE BEST INTERESTS OF
13 HORSE RACING, CITING THE REASONS FOR THAT DETERMINATION. THE
14 ACTION OF THE CORPORATION IN REFUSING THE PERSON ADMISSION TO OR
15 EJECTING HIM FROM A RACE MEETING GROUND OR ENCLOSURE SHALL HAVE
16 IMMEDIATE EFFECT. THE PERSON REFUSED ADMISSION OR EJECTED SHALL
17 RECEIVE A HEARING BEFORE THE APPROPRIATE COMMISSION, IF
18 REQUESTED, PURSUANT TO RULES AND REGULATIONS ADOPTED FOR THAT
19 PURPOSE BY THE APPROPRIATE COMMISSION AND A DECISION RENDERED
20 FOLLOWING THAT HEARING.

21 (D) A LICENSED CORPORATION MAY NOT REFUSE ADMISSION TO OR
22 EJECT A LAW ENFORCEMENT OFFICIAL WHILE THAT OFFICIAL IS ACTUALLY
23 ENGAGED IN THE PERFORMANCE OF OFFICIAL DUTIES.

24 (E) A PERSON FOUND WITHIN A RACE TRACK ENCLOSURE AFTER
25 HAVING BEEN REFUSED ADMISSION THERETO OR EJECTED THEREFROM
26 SHALL, UPON CONVICTION THEREOF IN A SUMMARY PROCEEDING, BE
27 SENTENCED TO PAY A FINE NOT EXCEEDING \$300 OR UNDERGO
28 IMPRISONMENT FOR A TERM NOT EXCEEDING 90 DAYS, OR BOTH.
29 SECTION 216. INTERSTATE SIMULCASTINGS OF HORSE RACES.

30 EACH COMMISSION MAY, UPON REQUEST BY ANY LICENSED

1 CORPORATION, GRANT PERMISSION FOR ELECTRONICALLY TELEVISED
2 SIMULCASTS OF HORSE RACES TO BE OPERATED BY THE LICENSED
3 CORPORATION AT THE RACE TRACK ENCLOSURE WHERE A HORSE RACE
4 MEETING IS BEING CONDUCTED DURING, BETWEEN, BEFORE OR AFTER
5 POSTED RACES FOR THAT RACING DAY. THE POSTED RACES FOR THAT
6 RACING DAY SHALL INCLUDE A MINIMUM OF EIGHT LIVE RACES, EXCEPT,
7 AT THOROUGHBRED TRACKS ON THE ONE DAY DESIGNATED AS BREEDERS'
8 CUP EVENT DAY, THERE SHALL BE A MINIMUM OF FIVE LIVE RACES. THE
9 SIMULCASTS SHALL BE LIMITED TO HORSE RACES CONDUCTED AT
10 FACILITIES OUTSIDE THIS COMMONWEALTH AND TELEVISED TO RACE TRACK
11 ENCLOSURES WITHIN THIS COMMONWEALTH. THE SIMULCASTS SHALL ALSO
12 BE LIMITED TO THOROUGHBRED RACES DESIGNATED AS GRADE I STAKES,
13 OR THE INTERNATIONAL EQUIVALENT THERETO, WITH PURSES OF AT LEAST
14 \$100,000; STANDARD BRED RACES WITH PURSES OF AT LEAST \$100,000;
15 AND OTHER STAKES RACES WHICH HAVE, IN THE OPINION OF THE
16 APPROPRIATE COMMISSION, SIGNIFICANT VALUE TO THE PENNSYLVANIA
17 RACING INDUSTRY. CROSS SIMULCASTING OF THE AFOREMENTIONED RACES
18 SHALL BE PERMITTED AS LONG AS THE PARTICULAR RACE IS AVAILABLE
19 TO ALL RACE TRACKS IN THE COMMONWEALTH WHICH ARE OPERATING LIVE
20 RACING THAT DAY. ALL SIMULCASTS OF HORSE RACES FROM OUTSIDE THIS
21 COMMONWEALTH SHALL ALSO COMPLY WITH THE PROVISIONS OF THE
22 INTERSTATE HORSE RACING ACT OF 1978, 92 STAT. 1811, 15 USC 3001
23 ET SEQ. ALL FORMS OF PARI-MUTUEL WAGERING AS DESCRIBED UNDER
24 SECTION 221 SHALL BE ALLOWED ON HORSE RACES TO BE TELEVISED BY
25 SIMULCASTING. EACH COMMISSION MAY PROMULGATE RULES OR
26 REGULATIONS TO REGULATE THE WAGERING AND THE OPERATION OF THESE
27 HORSE RACES. ALL MONEYS WAGERED BY PATRONS ON THESE HORSE RACES
28 SHALL BE COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY
29 FOR PURPOSES OF TAXATION UNDER SECTION 222.
30 SECTION 216.1. TELEVISED INTERNATIONAL AND INTERSTATE

1 SIMULCASTINGS OF HORSE RACES.

2 (A) EACH COMMISSION MAY, UPON REQUEST BY A LICENSED
3 CORPORATION, GRANT PERMISSION TO MAINTAIN COMMON PARI-MUTUEL
4 POOLS ON INTERNATIONAL AND INTERSTATE RACES TRANSMITTED TO AND
5 FROM THE RACETRACK ENCLOSURES WITHIN THIS COMMONWEALTH, SUCH
6 LICENSED CORPORATION TO BE DESIGNATED AS THE "HOST LICENSEE."
7 THE PERMISSION TO ACT AS HOST LICENSEE FOR INTERNATIONAL AND
8 INTERSTATE SIMULCAST RACES SHALL BE LIMITED TO LICENSED
9 CORPORATIONS:

10 (1) WHICH HAVE A LIVE RACING AGREEMENT WITH A HORSEMAN'S
11 ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND TRAINERS
12 AT THE FACILITY WHERE THE LICENSED CORPORATION CONDUCTS
13 RACING DATES;

14 (2) WHICH HAVE SCHEDULED 95% OF THE TOTAL NUMBER OF
15 HORSE OR HARNESS RACING DAYS SCHEDULED IN 1986 BY IT OR ITS
16 PREDECESSOR AT THE FACILITY WHERE THE LICENSED CORPORATION
17 CONDUCTS RACING DATES; AND

18 (3) WHICH, SUBJECT TO ACTIONS OR ACTIVITIES BEYOND THE
19 CONTROL OF THE LICENSEE, CONDUCT NOT LESS THAN EIGHT LIVE
20 RACES PER RACE DATE DURING EACH MEET AT THE FACILITY WHERE
21 THE LICENSED CORPORATION CONDUCTS RACING DATES, EXCEPT FOR
22 THOROUGHBRED TRACKS ON THE DAY DESIGNATED AS BREEDER'S CUP
23 EVENT DAY, WHEN THE FACILITY SHALL HOLD A MINIMUM OF FIVE
24 LIVE RACES.

25 A HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND
26 TRAINERS AT A RACETRACK MAY CONSENT TO WAIVING OR MODIFYING THE
27 PROVISIONS PERTAINING TO THE REQUIRED NUMBER OF RACING DAYS AND
28 RACES PER DAY SCHEDULED BY A LICENSED CORPORATION AT THAT
29 RACETRACK.

30 (B) CROSS SIMULCASTING OF THE RACES DESCRIBED IN SUBSECTION

1 (A) SHALL BE PERMITTED IF ALL AMOUNTS WAGERED ON THE RACES IN
2 THIS COMMONWEALTH ARE INCLUDED IN COMMON PARI-MUTUEL POOLS. A
3 HOST LICENSEE SEEKING PERMISSION TO CROSS SIMULCAST MUST OBTAIN
4 APPROVAL FROM BOTH THE STATE HARNESS RACING COMMISSION AND THE
5 STATE HORSE RACING COMMISSION. ALL SIMULCASTS OF HORSE RACES
6 SHALL ALSO COMPLY WITH THE PROVISIONS OF THE INTERSTATE HORSE
7 RACING ACT OF 1978 (92 STAT. 1811, 15 U.S.C. § 3001 ET SEQ.).
8 ALL FORMS OF PARI-MUTUEL WAGERING AS DESCRIBED UNDER SECTION 221
9 SHALL BE ALLOWED ON HORSE RACES TO BE TELEVISED BY SIMULCASTING.
10 EACH COMMISSION MAY PERMIT PARI-MUTUEL POOLS IN THIS
11 COMMONWEALTH TO BE COMBINED WITH PARI-MUTUEL POOLS CREATED UNDER
12 THE LAWS OF ANOTHER JURISDICTION AND MAY PERMIT PARI-MUTUEL
13 POOLS CREATED UNDER THE LAWS OF ANOTHER JURISDICTION TO BE
14 COMBINED WITH PARI-MUTUEL POOLS IN THIS COMMONWEALTH. EACH
15 COMMISSION MAY PROMULGATE RULES OR REGULATIONS TO REGULATE
16 WAGERING ON TELEVISED SIMULCASTS.

17 (C) ALL MONEYS WAGERED BY PATRONS IN THIS COMMONWEALTH ON
18 THESE HORSE RACES SHALL BE COMPUTED IN THE AMOUNT OF MONEY
19 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
20 222 AND ALL THOROUGHBRED RACES SHALL BE CONSIDERED A PART OF A
21 THOROUGHBRED HORSE RACE MEETING AND ALL HARNESS RACES SHALL BE
22 CONSIDERED A PART OF A HARNESS HORSE RACE MEETING FOR PURPOSES
23 OF SECTION 222(B)(5).

24 SECTION 217. REFUNDS.

25 (A) MONEY RECEIVED BY THE COMMISSIONS MAY, WITHIN ONE YEAR
26 FROM RECEIPTS THEREOF, BE REFUNDED, TO THE PARTY FOR WHOSE
27 ACCOUNT THE SAME WERE RECEIVED, ON PROOF SATISFACTORY TO THE
28 COMMISSIONS THAT:

29 (1) THE MONEYS WERE IN EXCESS OF THE AMOUNT REQUIRED BY
30 LAW;

1 (2) THE LICENSE FOR WHICH APPLICATION WAS MADE HAS BEEN
2 REFUSED BY THE COMMISSION;

3 (3) THE MONEYS WERE RECEIVED AS A FINE AND THE
4 COMMISSION HAS, AFTER REVIEW, REDUCED THE AMOUNT OF THE FINE;
5 OR

6 (4) UPON APPEAL, THE COURT REDUCED OR REMITTED THE FINE
7 IMPOSED AND PAID.

8 (B) REFUNDS SHALL, UPON APPROVAL BY THE COMMISSION AND AFTER
9 APPROVAL BY THE BOARD OF FINANCE AND REVENUE, BE PAID FROM ANY
10 MONEYS IN THE STATE RACING FUND.

11 SECTION 218. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL
12 WAGERING.

13 (A) EVERY LICENSED CORPORATION SHALL PROVIDE DURING A HORSE
14 RACE MEETING A PLACE OR PLACES WITHIN THE RACE TRACK ENCLOSURE
15 AT WHICH THE LICENSED CORPORATION SHALL CONDUCT THE PARI-MUTUEL
16 SYSTEM OF WAGERING BY ITS PATRONS ON THE RESULTS OF HORSE RACES
17 HELD AT SUCH MEETINGS OR TELEVISED TO THE RACE TRACK ENCLOSURE
18 BY SIMULCASTING. THE LICENSED CORPORATION SHALL ERECT A SIGN OR
19 BOARD UPON WHICH SHALL BE DISPLAYED THE APPROXIMATE STRAIGHT
20 ODDS ON EACH HORSE IN ANY RACE; THE VALUE OF A WINNING MUTUEL
21 TICKET, STRAIGHT, PLACE OR SHOW ON THE FIRST THREE HORSES IN THE
22 RACE; THE ELAPSED TIME OF THE RACE; THE VALUE OF A WINNING DAILY
23 DOUBLE TICKET, IF A DAILY DOUBLE BE CONDUCTED, AND ANY OTHER
24 INFORMATION THAT THE COMMISSIONS MAY DEEM NECESSARY FOR THE
25 GUIDANCE OF THE GENERAL PUBLIC. THE COMMISSIONS MAY PRESCRIBE,
26 BY RULE, THE TYPE AND KIND OF EQUIPMENT TO BE USED FOR THE
27 DISPLAY OF THE FOREGOING INFORMATION.

28 (B) EACH COMMISSION MAY UPON REQUEST BY ANY LICENSED
29 CORPORATION GRANT PERMISSION TO THE LICENSED CORPORATION TO
30 CONDUCT A TELEPHONE ACCOUNT WAGERING SYSTEM: PROVIDED, HOWEVER,

1 THAT ALL TELEPHONE MESSAGES TO PLACE WAGERS MUST BE TO A PLACE
2 WITHIN THE RACE TRACK ENCLOSURE: AND FURTHER PROVIDED, THAT ALL
3 MONEYS USED TO PLACE TELEPHONE WAGERS BE ON DEPOSIT IN AN AMOUNT
4 SUFFICIENT TO COVER THE WAGER AT THE RACE TRACK WHERE THE
5 ACCOUNT IS OPENED. EACH COMMISSION MAY PROMULGATE RULES OR
6 REGULATIONS TO REGULATE TELEPHONE ACCOUNT WAGERING. ALL MONEYS
7 WAGERED AS A RESULT OF TELEPHONE ACCOUNT WAGERING SHALL BE
8 INCLUDED IN THE AMOUNT WAGERED EACH RACING DAY FOR PURPOSES OF
9 TAXATION UNDER SECTION 222 AND SHALL BE INCLUDED IN THE SAME
10 PARI-MUTUEL POOLS FOR EACH POSTED RACE. ALL TELEPHONE ACCOUNT
11 WAGERING SYSTEMS SHALL BE SOLELY OPERATED BY THE LICENSED
12 CORPORATIONS.

13 (C) A LICENSED CORPORATION SHALL ONLY ACCEPT AND TABULATE A
14 WAGER BY A DIRECT TELEPHONE CALL FROM THE HOLDER OF A TELEPHONE
15 WAGERING ACCOUNT. NO PERSON SHALL DIRECTLY OR INDIRECTLY ACT AS
16 AN INTERMEDIARY, TRANSMITTER OR AGENT IN THE PLACING OF WAGERS
17 FOR A HOLDER OF A TELEPHONE WAGERING ACCOUNT. NO PERSON SHALL IN
18 ANY MANNER PLACE ANY WAGER BY TELEPHONE TO A FACILITY IN THE
19 RACE TRACK ENCLOSURE ON BEHALF OF A HOLDER OF A TELEPHONE
20 WAGERING ACCOUNT. ONLY THE HOLDER OF A TELEPHONE WAGERING
21 ACCOUNT SHALL PLACE A TELEPHONE WAGER. ANY PERSON VIOLATING THIS
22 SUBSECTION SHALL BE GUILTY OF A MISDEMEANOR OF THE FIRST DEGREE.

23 (D) A LICENSED CORPORATION SHALL NOT ACCEPT A TELEPHONE
24 WAGER FROM, NOR ESTABLISH A TELEPHONE BETTING ACCOUNT FOR, ANY
25 PERSON LOCATED IN OR RESIDING IN AN AREA DEFINED HEREIN AS THE
26 PRIMARY MARKET AREA OF A RACE TRACK, OTHER THAN THE RACE TRACK
27 AT WHICH THE LICENSED CORPORATION IS CONDUCTING A RACING MEET.
28 NOTHING HEREIN SHALL PROHIBIT THE LICENSED CORPORATION FROM
29 ACCEPTING A TELEPHONE WAGER FROM, OR ESTABLISHING A TELEPHONE
30 BETTING ACCOUNT FOR, ANY PERSON LOCATED IN OR RESIDING IN THE

1 PRIMARY MARKET AREA OF THE TRACK AT WHICH THE LICENSED
2 CORPORATION IS CONDUCTING A MEET AND, IF TWO TRACKS SHARE
3 PRIMARY MARKET AREA AS DEFINED HEREIN, BOTH TRACKS SHALL HAVE
4 EQUAL RIGHTS TO THE MARKET IN THE SHARED AREA.

5 (E) THE PRIMARY MARKET AREA OF A RACE TRACK, FOR PURPOSES OF
6 THIS ACT, IS DEFINED AS THAT LAND AREA INCLUDED IN A CIRCLE
7 DRAWN WITH THE RACE TRACK AS THE CENTER AND A RADIUS OF 35 AIR
8 MILES.

9 (F) THE SECONDARY MARKET AREA OF A RACETRACK, FOR PURPOSES
10 OF THIS ACT, IS DEFINED AS THAT LAND AREA INCLUDED IN A CIRCLE
11 DRAWN WITH THE RACETRACK AS THE CENTER AND A RADIUS OF 50 AIR
12 MILES, BUT NOT INCLUDING THE PRIMARY MARKET AREA OF THE
13 RACETRACK.

14 (G) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS ACT TO THE
15 CONTRARY, UPON APPROVAL BY THE APPROPRIATE COMMISSION, A
16 LICENSED CORPORATION MAY ESTABLISH ONE OR MORE NONPRIMARY
17 LOCATIONS AT WHICH IT SHALL CONDUCT PARI-MUTUEL WAGERING ON ALL
18 HORSE RACES CONDUCTED BY SUCH LICENSED CORPORATION AND MAY
19 CONDUCT PARI-MUTUEL WAGERING ON HORSE RACES CONDUCTED BY ANOTHER
20 LICENSED CORPORATION, WHICH HORSE RACES MAY BE TELEVISED TO THE
21 LOCATIONS, OR ON HORSE RACES SIMULCAST TO THE LOCATIONS PURSUANT
22 TO SECTION 216, PROVIDED THAT:

23 (1) NO LICENSED CORPORATION MAY ESTABLISH NONPRIMARY
24 LOCATIONS WITHIN THE PRIMARY MARKET AREA, AS SET FORTH IN
25 SUBSECTION (E), OF ANY RACETRACK OTHER THAN A RACETRACK AT
26 WHICH THE LICENSED CORPORATION CONDUCTS RACE MEETINGS.
27 ESTABLISHMENT OF A NONPRIMARY LOCATION BY A LICENSED
28 CORPORATION WITHIN THE PRIMARY MARKET AREA OF A RACETRACK AT
29 WHICH THE LICENSED CORPORATION CONDUCTS RACE MEETINGS SHALL
30 REQUIRE APPROVAL OF THE COMMISSION REGULATING THE ACTIVITIES

1 OF SUCH LICENSED CORPORATION.

2 (2) ANY LICENSED CORPORATION MAY ESTABLISH A NONPRIMARY
3 LOCATION WITHIN THE SECONDARY MARKET AREA OF A RACETRACK AS
4 SET FORTH IN SUBSECTION (F), PROVIDED THAT THE NONPRIMARY
5 LOCATION IS APPROVED BY BOTH THE STATE HARNESS RACING
6 COMMISSION AND THE STATE HORSE RACING COMMISSION.

7 (3) ANY LICENSED CORPORATION MAY ESTABLISH A NONPRIMARY
8 LOCATION IN AREAS OUTSIDE THE PRIMARY AND SECONDARY MARKET
9 AREAS OF ANY RACETRACK, PROVIDED THAT THE LOCATION IS
10 APPROVED BY THE COMMISSION WHICH REGULATES THE ACTIVITIES OF
11 THE LICENSED CORPORATION ESTABLISHING THE LOCATION.

12 (4) WHERE A SITE IS APPROVED BY THE COMMISSION AS A
13 NONPRIMARY LOCATION ESTABLISHED BY MORE THAN ONE LICENSED
14 CORPORATION, BY AGREEMENT BETWEEN THE LICENSED CORPORATIONS
15 AND WITH THE APPROVAL OF THE APPROPRIATE COMMISSION, ONE
16 LICENSED CORPORATION MAY OPERATE THE PARI-MUTUEL EQUIPMENT
17 FOR ONE OR MORE OF THE LICENSED CORPORATIONS AT THAT
18 LOCATION, BUT THE LOCATION MAY STILL BE CONSIDERED A PART OF
19 THE RACETRACK ENCLOSURE OF EACH OF THE LICENSED CORPORATIONS
20 APPROVED TO CONDUCT PARI-MUTUEL WAGERING AT THAT LOCATION.

21 (5) (I) ANY LICENSED CORPORATION, PLANNING TO ESTABLISH
22 A NONPRIMARY LOCATION, SHALL SUBMIT TO THE APPROPRIATE
23 COMMISSION A NONPRIMARY LOCATION STATEMENT IN A FORM
24 PRESCRIBED BY THE APPROPRIATE COMMISSION WHICH SPECIFIES,
25 BUT IS NOT LIMITED TO, THE FOLLOWING:

26 (A) THE NUMBER OF PERMANENT AND PART-TIME JOBS
27 TO BE CREATED AT THE PROPOSED FACILITY.

28 (B) THE POPULATION OF THE TOWN OR MUNICIPALITY,
29 AND SURROUNDING AREA, WHERE THE PROPOSED FACILITY IS
30 TO BE LOCATED.

1 (C) THE PROXIMITY OF THE PROPOSED FACILITY TO
2 ANY OTHER NONPRIMARY LOCATION OR LICENSED RACETRACK.

3 (D) THE TYPE OF SEATING TO BE PROVIDED,
4 INCLUDING AREAS IN THE PROPOSED FACILITY WHERE
5 PATRONS CAN HANDICAP RACES.

6 (E) THE TOTAL SEATING CAPACITY OF THE PROPOSED
7 FACILITY.

8 (F) THE SIZE AND NUMBER OF TOILET FACILITIES.

9 (G) THE AVAILABILITY OF FOOD AND BEVERAGES,
10 INCLUDING THE NUMBER OF TABLES, CHAIRS, KITCHEN
11 FACILITIES AND CONCESSION STANDS.

12 (H) THE NUMBER OF AVAILABLE PARKING SPACES.

13 (I) A DESCRIPTION OF THE GENERAL Demeanor OF THE
14 FACILITY, INCLUDING LIGHTING, DECOR AND PLANS FOR THE
15 EXTERIOR OF THE FACILITY.

16 (J) THE NUMBER OF BETTING WINDOWS AND STAND-
17 ALONE TERMINALS TO BE PROVIDED.

18 (K) A DESCRIPTION OF THE HEATING AND AIR
19 CONDITIONING UNITS, THE SMOKE REMOVAL EQUIPMENT AND
20 OTHER CLIMATE CONTROL DEVICES.

21 (L) THE TOTAL SQUARE FEET OF THE PROPOSED
22 FACILITY.

23 (II) THE GENERAL ASSEMBLY RECOGNIZES THE ECONOMIC
24 IMPORTANCE OF THE HORSE RACING INDUSTRY IN THIS
25 COMMONWEALTH; AND FURTHER RECOGNIZES THAT THE
26 PENNSYLVANIA HORSE RACING INDUSTRY IS IN A STATE OF
27 DECLINE. THEREFORE, IT IS THE INTENT OF THE GENERAL
28 ASSEMBLY THROUGH THIS AMENDATORY ACT TO REVITALIZE AND
29 SECURE THE ECONOMIC FUTURE OF THE HORSE RACING INDUSTRY
30 AND TO ENCOURAGE STATEWIDE ECONOMIC DEVELOPMENT BY

1 ASSISTING IN THE DEVELOPMENT OF NONPRIMARY LOCATIONS. IT
2 IS THE FURTHER INTENT OF THE GENERAL ASSEMBLY THROUGH
3 THIS AMENDATORY ACT THAT IN NO CASE SHALL THE APPROPRIATE
4 COMMISSION APPROVE A NONPRIMARY LOCATION STATEMENT WHEN
5 THE SOLE PURPOSE OF THAT STATEMENT IS TO PROVIDE WAGERING
6 OPPORTUNITIES PURSUANT TO THIS ACT; RATHER, THE
7 APPROPRIATE COMMISSION SHALL ONLY APPROVE A NONPRIMARY
8 LOCATION STATEMENT THAT PLANS FOR A PUBLIC FACILITY
9 OFFERING NOT ONLY WAGERING OPPORTUNITIES, BUT OTHER
10 AMENITIES, SUCH AS HIGH CLASS RESTAURANTS AND QUALITY
11 HANDICAPPING FACILITIES, SO THAT ALL OR PART OF THE
12 NONPRIMARY FACILITY WILL RESEMBLE THE CLUBHOUSE
13 FACILITIES OF A RACETRACK. IT IS THE FURTHER INTENT OF
14 THE GENERAL ASSEMBLY THROUGH THIS AMENDATORY ACT TO OFFER
15 THE POTENTIAL FOR THE CREATION OF JOBS, NOT ONLY IN THE
16 RACING AND WAGERING INDUSTRY, BUT MORE PARTICULARLY IN
17 OTHER SERVICE JOBS, SUCH AS PARKING ATTENDANTS, WAITERS
18 AND WAITRESSES, SECURITY GUARDS, CUSTODIAL WORKERS AND
19 FOOD SERVICE PERSONNEL.

20 (III) IN DETERMINING WHETHER THE NONPRIMARY LOCATION
21 STATEMENT MEETS THE LEGISLATIVE INTENT OF THIS AMENDATORY
22 ACT, THE APPROPRIATE COMMISSION SHALL CONSIDER FACTORS
23 WHICH INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

24 (A) THE PURPOSES AND PROVISIONS OF THIS
25 AMENDATORY ACT.

26 (B) THE PUBLIC INTEREST.

27 (C) THE INTEGRITY OF LIVE RACING.

28 (D) THE IMPACT ON THE LOCAL COMMUNITY.

29 (E) THE POTENTIAL FOR JOB CREATION.

30 (F) THE QUALITY OF THE PHYSICAL FACILITIES AND

1 ALL SERVICES TO BE PROVIDED THEREIN.

2 (IV) IN CONSIDERING WHETHER THE APPROPRIATE
3 COMMISSION WILL GRANT, SUSPEND OR REVOKE APPROVAL OF
4 NONPRIMARY LOCATIONS, THE PROVISIONS OF SECTION 209(F) (2)
5 SHALL APPLY. IN CONNECTION THEREWITH, THE COMMISSION
6 SHALL ANNUALLY CONDUCT INSPECTIONS OF THE PRIMARY
7 FACILITY.

8 (V) THE RIGHTS, DUTIES AND OBLIGATIONS OF THE
9 APPROPRIATE COMMISSION, AS SET FORTH IN THIS AMENDATORY
10 ACT, SHALL APPLY TO NONPRIMARY LOCATIONS AND ANY
11 EMPLOYEES OR VENDORS OF THE LICENSED CORPORATION
12 ESTABLISHING THE NONPRIMARY LOCATION.

13 (6) (I) IN ADDITION TO THE REQUIREMENTS OF PARAGRAPH
14 (10), ANY LICENSED CORPORATION WHICH IS AUTHORIZED TO
15 CONDUCT RACING AT ANY PRIMARY RACETRACK LOCATION AT WHICH
16 THERE HAS NOT BEEN, IN THE PREVIOUS CALENDAR YEAR, A
17 MINIMUM OF 142 DAYS OF LIVE RACING SHALL NOT BE ELIGIBLE
18 TO ESTABLISH NONPRIMARY LOCATIONS OUTSIDE ITS PRIMARY
19 MARKET AREA AND SHALL ONLY BE ELIGIBLE TO ESTABLISH
20 NONPRIMARY LOCATIONS WITHIN ITS PRIMARY MARKET AREA
21 ACCORDING TO THE FOLLOWING SCHEDULE.

22	YEAR	NUMBER OF	NUMBER OF DAYS	NUMBER OF	NUMBER OF DAYS
23		LIVE RACING	IN SUBSEQUENT	LIVE RACING	IN SUBSEQUENT
24		DAYS	YEAR PERMITTED	DAYS	YEAR PERMITTED
25		CONDUCTED	TO OPERATE	CONDUCTED	TO OPERATE
26			NONPRIMARY		NONPRIMARY
27			LOCATIONS		LOCATIONS
28			WITHIN PRIMARY		WITHIN PRIMARY
29			MARKET AREA		MARKET AREA
30	1988	50	365		

1	1989	69	365	UNDER 69	307
2	1990	88	365	UNDER 88	259
3	1991	107	365	UNDER 107	191
4	1992	126	365	UNDER 126	133
5	1993	142	365	UNDER 142	75

6 (II) NOTWITHSTANDING THE CHART CONTAINED IN
7 SUBPARAGRAPH (I), IF ANY SUCH LICENSED CORPORATION
8 SCHEDULES 69 OR MORE RACING DAYS IN CALENDAR YEAR 1989,
9 IT MAY, UPON APPROVAL OF THE APPROPRIATE COMMISSION,
10 ESTABLISH NONPRIMARY LOCATIONS WITHIN ITS PRIMARY MARKET
11 AREA FOR THAT CALENDAR YEAR.

12 (7) (I) THE LICENSED CORPORATION AUTHORIZED TO HOLD
13 RACE MEETINGS AT A PRIMARY RACETRACK LOCATION AT WHICH
14 MORE THAN ONE LICENSE IS SO AUTHORIZED MAY BE GRANTED UP
15 TO TWO NONPRIMARY LOCATIONS BY THE APPROPRIATE
16 COMMISSION, UP TO A MAXIMUM OF FOUR PER PRIMARY RACETRACK
17 LOCATION. THE LICENSED CORPORATION AUTHORIZED TO HOLD
18 RACE MEETINGS AT A PRIMARY RACETRACK LOCATION AT WHICH
19 THERE IS ONLY ONE SUCH LICENSED CORPORATION SO AUTHORIZED
20 MAY BE GRANTED UP TO THREE NONPRIMARY LOCATIONS.

21 (II) IN ADDITION TO THE NONPRIMARY LOCATIONS
22 AUTHORIZED BY SUBPARAGRAPH (I), DURING EACH OF THE
23 CALENDAR YEARS 1989 AND 1990, THE APPROPRIATE COMMISSION
24 MAY APPROVE NO MORE THAN ONE ADDITIONAL NONPRIMARY
25 LOCATION PER PRIMARY RACETRACK LOCATION, FOR ONE LICENSED
26 CORPORATION AUTHORIZED TO CONDUCT RACING AT THE PRIMARY
27 RACETRACK LOCATION.

28 (III) THE GENERAL ASSEMBLY MAY, AT ANY TIME, STOP
29 THE FURTHER APPROVAL OF ANY NONPRIMARY LOCATIONS. THE
30 STATE HARNESS RACING COMMISSION AND THE STATE HORSE

1 RACING COMMISSION SHALL NOT HAVE THE AUTHORITY TO APPROVE
2 ANY GREATER NUMBER OF NONPRIMARY LOCATIONS AFTER DECEMBER
3 31, 1990, UNLESS FURTHER AUTHORIZED BY THE GENERAL
4 ASSEMBLY.

5 (IV) IT SHALL BE THE DUTY OF BOTH THE STATE HARNESS
6 RACING COMMISSION AND THE STATE HORSE RACING COMMISSION
7 TO ANNUALLY REPORT TO THE GENERAL ASSEMBLY ON THE EFFECT
8 OF NONPRIMARY LOCATIONS ON SUCH FACTORS AS THE LOCAL
9 ECONOMY, THE PUBLIC INTEREST AND THE INTEGRITY OF LIVE
10 RACING, AND MAKE SUGGESTIONS AND RECOMMENDATIONS.

11 (8) (I) MONEYS WAGERED AT ALL PRIMARY AND NONPRIMARY
12 LOCATIONS PURSUANT TO THIS ACT SHALL BE INCLUDED IN
13 COMMON PARI-MUTUEL POOLS. ALL MONEY WAGERED BY PATRONS ON
14 THESE RACES SHALL BE COMPUTED IN THE AMOUNT OF MONEY
15 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER
16 SECTION 222. THE LICENSED CORPORATION CONDUCTING THE RACE
17 MEETING AND MAINTAINING THE PARI-MUTUEL POOLS SHALL
18 MAINTAIN ACCURATE RECORDS OF THE AMOUNT WAGERED IN EACH
19 POOL FROM EVERY PRIMARY AND NONPRIMARY LOCATION.

20 (II) THE RETAINED MONEYS AS PROVIDED FOR IN SECTION
21 222(E) SHALL BE CALCULATED FOR EACH LOCATION WHERE PARI-
22 MUTUEL WAGERING IS BEING CONDUCTED. IF WAGERING HAS TAKEN
23 PLACE AT A NONPRIMARY LOCATION WHERE THE WAGERING IS
24 CONDUCTED BY A LICENSED CORPORATION OTHER THAN THE
25 LICENSED CORPORATION CONDUCTING THE RACE MEETING, THE
26 LICENSED CORPORATION CONDUCTING THE RACE MEETING SHALL
27 RETAIN ANY MONEYS TO WHICH IT IS ENTITLED BY AGREEMENT
28 BETWEEN SUCH LICENSED CORPORATIONS AND SHALL PAY OVER THE
29 BALANCE OF THE RETAINED MONEYS TO THE LICENSED
30 CORPORATION CONDUCTING THE WAGERING AT THE NONPRIMARY

1 LOCATION.

2 (9) (I) A LICENSED CORPORATION CONDUCTING A RACE
3 MEETING ON WHICH PARI-MUTUEL WAGERING IS CONDUCTED AT ONE
4 OR MORE NONPRIMARY LOCATIONS SHALL DISTRIBUTE TO THE
5 HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS
6 AND TRAINERS AT ITS RACETRACK, OR IN ACCORDANCE WITH THE
7 PRACTICE OF THE PARTIES, TO BE USED FOR PAYMENT OF PURSES
8 AT THAT RACETRACK, AN AMOUNT EQUAL TO NOT LESS THAN 6% OF
9 THE DAILY GROSS WAGERING HANDLE ON SUCH RACES AT A
10 NONPRIMARY LOCATION: PROVIDED, HOWEVER, THAT WHEN THE
11 GROSS WAGERING HANDLE ON SUCH RACES AT ANY SUCH
12 NONPRIMARY LOCATION ON A GIVEN DAY IS LESS THAN \$30,000,
13 THE ABOVE-REFERENCED PERCENTAGE SHALL BE NOT LESS THAN
14 3%, AND WHEN THE GROSS WAGERING HANDLE ON SUCH RACES AT
15 ANY SUCH NONPRIMARY LOCATION ON A GIVEN DAY IS BETWEEN
16 \$30,000 AND \$75,000 INCLUSIVE, THE ABOVE-REFERENCED
17 PERCENTAGE SHALL BE NOT LESS THAN 4.75%: AND PROVIDED
18 FURTHER, THAT WHENEVER A NONPRIMARY LOCATION IS WITHIN
19 THE PRIMARY MARKET AREA OF A LICENSED CORPORATION OTHER
20 THAN THE LICENSED CORPORATION CONDUCTING SUCH RACES, THE
21 APPLICABLE PERCENTAGE SHALL BE DISTRIBUTED ONE-HALF TO
22 THE HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF
23 OWNERS AND TRAINERS AT THE RACETRACK, OR IN ACCORDANCE
24 WITH THE PRACTICE OF THE PARTIES, WHERE THE RACE MEETING
25 IS BEING CONDUCTED TO BE USED FOR THE PAYMENT OF PURSES
26 AT THAT RACETRACK AND ONE-HALF TO SUCH HORSEMAN'S
27 ORGANIZATION, OR IN ACCORDANCE WITH THE PRACTICE OF THE
28 PARTIES, AT THE RACETRACK WITHIN THE PRIMARY MARKET AREA
29 TO BE USED FOR THE PAYMENT OF PURSES AT THAT RACETRACK.
30 NOTHING IN THIS SUBPARAGRAPH SHALL PREVENT A LICENSED

1 CORPORATION FROM AGREEING TO DISTRIBUTE AMOUNTS GREATER
2 THAN THE PERCENTAGES SET FORTH IN THIS SUBPARAGRAPH.
3 HOWEVER, IF NO ALTERNATIVE AGREEMENT HAS BEEN REACHED,
4 THE TOTAL PERCENTAGE PAID FOR PURSES UNDER THIS
5 SUBPARAGRAPH SHALL BE IN ACCORDANCE WITH THE MINIMUM
6 PERCENTAGES SET FORTH IN THIS SUBPARAGRAPH.

7 (II) NOTWITHSTANDING SUBPARAGRAPH (I), OR ANY OTHER
8 PROVISION IN THIS ACT TO THE CONTRARY, A NONPRIMARY
9 LOCATION MAY BE ESTABLISHED WITHIN THE PRIMARY MARKET
10 AREA OF A RACETRACK BY AGREEMENT BETWEEN THE LICENSED
11 CORPORATION AND THE HORSEMAN'S ORGANIZATION REPRESENTING
12 A MAJORITY OF THE OWNERS AND TRAINERS AT THAT RACETRACK
13 SPECIFYING THE TOTAL PERCENTAGE OF HANDLE WAGERED AT SUCH
14 NONPRIMARY LOCATION TO BE DISTRIBUTED TO THAT HORSEMAN'S
15 ORGANIZATION, OR IN ACCORDANCE WITH THE PRACTICE OF THE
16 PARTIES, TO BE USED FOR THE PAYMENT OF PURSES AT THAT
17 RACETRACK. IF NO SUCH AGREEMENT IS REACHED COVERING SUCH
18 LOCATIONS, THE TOTAL PERCENTAGE TO BE PAID FOR PURSES
19 PURSUANT TO THIS SUBPARAGRAPH SHALL BE THE SAME AS THAT
20 APPLIED TO ON-TRACK WAGERING AT THE RACETRACK LOCATED
21 WITHIN THE PRIMARY MARKET AREA.

22 (10) THE PROVISIONS OF SECTION 234 RELATING TO THE
23 REQUIRED NUMBER OF RACING DAYS APPLY TO THIS SUBSECTION.
24 HOWEVER, A HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF
25 OWNERS AND TRAINERS AT A RACETRACK MAY CONSENT TO WAIVING OR
26 MODIFYING THE PROVISIONS AS PERTAINING TO THE REQUIRED NUMBER
27 OF RACING DAYS SCHEDULED BY A LICENSED CORPORATION AT THAT
28 RACETRACK.

29 SECTION 219. BOOKS AND RECORDS OF PARI-MUTUEL WAGERING.

30 EVERY CORPORATION THAT CONDUCTS A HORSE RACE MEETING AT WHICH

1 PARI-MUTUEL WAGERING IS AUTHORIZED, SHALL KEEP BOOKS AND RECORDS
2 SO AS TO CLEARLY SHOW BY SEPARATE RECORD THE TOTAL AMOUNT OF
3 MONEY CONTRIBUTED TO EVERY PARI-MUTUEL POOL. THE DEPARTMENT OF
4 REVENUE OR ITS AUTHORIZED REPRESENTATIVE SHALL HAVE ACCESS TO
5 ALL BOOKS AND RECORDS FOR THE PURPOSE OF EXAMINING THE SAME AND
6 ASCERTAINING WHETHER THE PROPER AMOUNT DUE TO THE STATE IS BEING
7 PAID BY THE LICENSED CORPORATION.

8 SECTION 220. FILING OF CERTAIN AGREEMENTS WITH THE COMMISSIONS.

9 EVERY CORPORATION LICENSED TO CONDUCT HORSE RACE MEETINGS AT
10 WHICH PARI-MUTUEL WAGERING IS PERMITTED SHALL PROMPTLY AFTER
11 ENTERING ANY LEASE AGREEMENT CONCERNING ANY CONCESSION, LABOR
12 MANAGEMENT RELATION, HIRING OF DESIGNATED CLASSES OF OFFICERS,
13 EMPLOYEES OR CONTRACTORS SPECIFIED BY THE COMMISSIONS OR ANY
14 SUCH OTHER CONTRACT OR AGREEMENT AS THE COMMISSIONS MAY
15 PRESCRIBE, FILE WITH THE APPROPRIATE COMMISSION A TRUE AND
16 CORRECT COPY, OR AN ACCURATE SUMMARY, IF ORAL.

17 SECTION 221. RETENTION PERCENTAGES FOR PARI-MUTUEL POOLS.

18 (A) EVERY LICENSED CORPORATION SHALL DISTRIBUTE THE MONEYS
19 IN ANY PARI-MUTUEL POOL TO THE HOLDERS OF WINNING TICKETS UNDER
20 THE FOLLOWING REQUIREMENTS:

21 (1) ALL TICKETS SHALL BE PRESENTED FOR PAYMENT BEFORE
22 THE FIRST DAY OF APRIL OF THE YEAR FOLLOWING THE YEAR OF
23 THEIR PURCHASE; AND

24 (2) SEVENTEEN PERCENT OF THE MONEYS PLUS THE BREAKAGE
25 FROM REGULAR WAGERING POOLS SHALL BE RETAINED BY THE LICENSED
26 CORPORATIONS FOR FURTHER DISTRIBUTION UNDER SECTION 222; OR

27 (3) NINETEEN PERCENT OF THE MONEYS PLUS THE BREAKAGE
28 FROM REGULAR WAGERING POOLS FROM LICENSED CORPORATIONS WHOSE
29 TOTAL DEPOSITS IN ALL PARI-MUTUEL POOLS AVERAGED LESS THAN
30 \$300,000 PER RACING DAY FOR THEIR PREVIOUS MEETING AT THE

1 SAME FACILITY; OR

2 (4) TWENTY PERCENT OF THE MONEYS PLUS THE BREAKAGE FROM
3 THE EXACTA, DAILY DOUBLE, QUINELLA AND OTHER WAGERING POOLS
4 INVOLVING TWO HORSES EACH RACING DAY SHALL BE RETAINED BY THE
5 LICENSED CORPORATIONS FOR FURTHER DISTRIBUTION UNDER SECTION
6 222; OR

7 (5) AT LEAST 26% BUT NO MORE THAN 35% OF THE MONEYS PLUS
8 THE BREAKAGE FROM THE TRIFECTA OR OTHER WAGERING POOLS
9 INVOLVING MORE THAN TWO HORSES IN ONE OR MORE RACES EACH
10 RACING DAY SHALL BE RETAINED BY THE LICENSED CORPORATIONS FOR
11 FURTHER DISTRIBUTION UNDER SECTION 222; AND

12 (6) EXCEPT AS PROVIDED FOR IN SUBSECTION (D.1) OF
13 SECTION 222, EVERY CORPORATION MAY RETAIN LESS THAN 17%, 19%
14 OR 20% OF THE MONEYS IN THE WAGERING POOLS UNDER PARAGRAPHS
15 (2), (3) AND (4) OR LESS THAN 26% OF THE MONEYS IN THE
16 WAGERING POOLS UNDER PARAGRAPH (5) UPON APPROVAL FROM THE
17 APPROPRIATE COMMISSION; AND

18 (7) EVERY CORPORATION MAY RETAIN MORE THAN 25% BUT NO
19 MORE THAN 35% OF THE MONEYS IN THE WAGERING POOLS UNDER
20 PARAGRAPH (5) UPON APPROVAL FROM THE APPROPRIATE COMMISSION;
21 AND

22 (8) ALL MONEYS REMAINING IN THE WAGERING POOLS DESCRIBED
23 UNDER PARAGRAPHS (2), (3), (4), (5), (6) AND (7) SHALL BE
24 DISTRIBUTED TO THE HOLDERS OF WINNING TICKETS.

25 (B) BREAKAGE SHALL MEAN THE ODD CENTS OF REDISTRIBUTIONS TO
26 BE MADE ON ALL CONTRIBUTIONS TO PARI-MUTUEL POOLS EXCEEDING A
27 SUM EQUAL TO THE NEXT LOWEST MULTIPLE OF TEN.

28 (C) THE COMMISSIONS SHALL ESTABLISH BY RULE OR REGULATION
29 PROVISIONS FOR MINUS-POOLS RELATING TO THE RETENTION
30 REQUIREMENTS UNDER THIS SECTION.

1 SECTION 222. DISTRIBUTION OF MONEYS RETAINED FROM PARI-MUTUEL
2 POOLS; TAXATION.

3 (A) THERE IS HEREBY CREATED THE STATE RACING FUND. ALL
4 LICENSED CORPORATIONS THAT CONDUCT HARNESS RACE MEETINGS SHALL
5 PAY A TAX THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE
6 STATE RACING FUND. ALL LICENSED CORPORATIONS THAT CONDUCT
7 THOROUGHBRED HORSE RACE MEETINGS SHALL PAY A TAX THROUGH THE
8 DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE RACING FUND. THE
9 TAX IMPOSED ON ALL LICENSED CORPORATIONS SHALL BE A PERCENTAGE
10 TAX ON THE AMOUNT WAGERED EACH RACING DAY AND BE PAID FROM THE
11 MONEYS RETAINED UNDER SECTION 221.

12 (A.1) AT THE CLOSE OF EACH DAY OF RACING, ALL CORPORATIONS
13 LICENSED TO CONDUCT HARNESS HORSE RACE MEETINGS OR THOROUGHBRED
14 HORSE RACE MEETINGS WHICH ANNUALLY CONDUCT AT LEAST 100 DAYS OF
15 RACING, OR WHEN TWO LICENSED CORPORATIONS CONDUCT THEIR RACE
16 MEETINGS AT THE SAME FACILITY AND BETWEEN THEM ANNUALLY CONDUCT
17 AT LEAST 175 DAYS OF RACING, WILL PAY OUT OF THE MONEYS RETAINED
18 ON THAT DAY UNDER SECTION 221, THROUGH THE DEPARTMENT OF REVENUE
19 FOR CREDIT TO THE STATE HORSE RACING FUND THE FOLLOWING TAXES
20 FOR THE TIME PERIODS STATED:

21 (1) FROM JANUARY 1, 1984 THROUGH JUNE 30, 1984 - 3.8%.

22 (2) FROM JULY 1, 1984 THROUGH JUNE 30, 1986 - 2.0%.

23 (3) AFTER JUNE 30, 1986 - 1.5%, EXCEPT AS PROVIDED IN
24 SUBSECTION (A.4).

25 (A.2) CORPORATIONS NOT ANNUALLY CONDUCTING AT LEAST 100 DAYS
26 OF RACING, OR 175 DAYS OF RACING IN CONJUNCTION WITH ANOTHER
27 LICENSEE AT THE SAME FACILITY AS DESCRIBED ABOVE, WILL PAY 2.5%
28 FROM JULY 1, 1984 TO JUNE 30, 1986, AND 2.0% THEREAFTER. THIS
29 SUBSECTION SHALL NOT APPLY IF RACES ARE NOT CONDUCTED BECAUSE OF
30 AN ACT OF GOD OR BECAUSE OF A STRIKE RESULTING FROM A LABOR

1 DISPUTE.

2 (A.3) FOR PURPOSES OF THIS SECTION, A RACING DAY SHALL BE
3 CONSIDERED CONDUCTED AFTER THE APPROPRIATE COMMISSION HAS
4 CERTIFIED THE ALLOCATION OF RACING DAYS TO THE SECRETARY OF THE
5 DEPARTMENT OF REVENUE UNDER THE PROVISIONS OF SECTION 207(B)
6 EVEN IF THE RACING DAY IS SUBSEQUENTLY CANCELLED BY THE LICENSED
7 CORPORATION FOR REASONS BEYOND ITS CONTROL.

8 (A.4) ANY CORPORATION WHICH DOES NOT HOLD A LICENSE UNDER
9 SECTION 209 ON THE EFFECTIVE DATE OF THIS ACT AND WHICH IS
10 GRANTED A LICENSE UNDER THIS ACT SHALL BE SUBJECT TO PAYMENT OUT
11 OF MONEYS RETAINED UNDER SECTION 221, THROUGH THE DEPARTMENT OF
12 REVENUE FOR CREDIT TO THE STATE HORSE RACING FUND, OF THE
13 FOLLOWING TAX FOR A PERIOD OF FOUR YEARS FROM THE ISSUANCE DATE
14 OF THE LICENSE - 1.0%, AT WHICH TIME SAID LICENSEE SHALL BE
15 SUBJECT TO THE LAWFUL RATE THEN IN EFFECT UNDER SUBSECTION (A.1)
16 (3).

17 (A.5) IN ORDER TO QUALIFY FOR THE 1.0% TAX RATE AUTHORIZED
18 UNDER SUBSECTION (A.4), THE NEWLY LICENSED CORPORATION MAY NOT
19 INCLUDE ANY OFFICER, DIRECTOR OR THE IMMEDIATE RELATIVE (SPOUSE,
20 CHILDREN OR PARENTS) OF ANY OFFICER OR DIRECTOR OF ANY LICENSED
21 RACING CORPORATION WHICH CONDUCTED, AT ANY TIME WITHIN THE
22 IMMEDIATELY PRECEDING FIVE YEARS, ANY HORSE OR HARNESS RACE
23 MEETINGS AT THE RACETRACK ENCLOSURE FOR WHICH THE LICENSE IS
24 SOUGHT. ALSO, THE NEWLY LICENSED CORPORATION MAY NOT INCLUDE ANY
25 SHAREHOLDER (OR THEIR IMMEDIATE RELATIVE) HOLDING A 5% OR
26 GREATER INTEREST WHO ALSO HELD A 5% OR GREATER INTEREST IN ANY
27 CORPORATION LICENSED AT ANY TIME WITHIN THE IMMEDIATELY
28 PRECEDING FIVE YEARS TO CONDUCT HORSE OR HARNESS RACE MEETINGS
29 AT THE RACETRACK ENCLOSURE FOR WHICH THE LICENSE IS SOUGHT.

30 (B) THE COMMISSIONS SHALL DISTRIBUTE MONEYS FROM THE STATE

1 RACING FUND, TOGETHER WITH THE INTEREST EARNED THEREON, IN THE
2 FOLLOWING MANNER:

3 (1) THE SALARIES OF EMPLOYEES OF THE COMMISSION EMPLOYED
4 BY OR FOR IT UNDER THE PROVISIONS OF THIS ACT AND THE ACT OF
5 APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS "THE ADMINISTRATIVE
6 CODE OF 1929," NET OF ANY INCOME EARNED OR RECEIVED BY THE
7 COMMISSION.

8 (2) THE PAYMENT OF THE COMPENSATION OF EMPLOYEES OF THE
9 DEPARTMENT OF REVENUE WHEN USED IN COLLECTING TAXES AND
10 PENALTIES IMPOSED BY THIS ACT.

11 (3) THE EXPENSES OF THE SECRETARY AND THE DEPARTMENT OF
12 AGRICULTURE INCURRED IN ADMINISTERING THEIR DUTIES UNDER THIS
13 ACT.

14 (4) TO PAY ALL OTHER EXPENSES INCURRED BY THE COMMISSION
15 IN ADMINISTERING THIS ACT, NET OF ANY INCOME EARNED OR
16 RECEIVED BY THE COMMISSION.

17 (5) FROM REMAINING MONEYS IN THE STATE RACING FUND:

18 (I) AN AMOUNT EQUIVALENT TO ONE PERCENT OF THE
19 AMOUNT WAGERED EACH RACING DAY AT THOROUGHBRED HORSE RACE
20 MEETINGS SHALL BE PAID BY THE HORSE RACING COMMISSION
21 FROM THE STATE RACING FUND THROUGH THE DEPARTMENT OF
22 REVENUE FOR CREDIT TO THE PENNSYLVANIA BREEDING FUND.

23 (II) AN AMOUNT EQUIVALENT TO ONE AND ONE-HALF
24 PERCENT OF THE AMOUNT WAGERED EACH RACING DAY AT HARNESS
25 HORSE RACE MEETINGS SHALL BE PAID BY THE HARNESS RACING
26 COMMISSION FROM THE STATE RACING FUND THROUGH THE
27 DEPARTMENT OF REVENUE FOR CREDIT TO THE PENNSYLVANIA SIRE
28 STAKES FUND, BEGINNING ON JULY 1, 1983.

29 (6) ALL REMAINING MONEYS IN THE STATE RACING FUND SHALL
30 BE PAID INTO THE GENERAL FUND.

1 (C) ALL BREAKAGE RETAINED UNDER SECTION 221 BY LICENSED
2 CORPORATIONS THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS SHALL
3 BE DISTRIBUTED IN THE FOLLOWING MANNER:

4 (1) FIFTY PERCENT OF THE BREAKAGE SHALL BE RETAINED BY
5 THE LICENSED CORPORATIONS.

6 (2) TWENTY-FIVE PERCENT OF THE BREAKAGE SHALL BE
7 RETAINED BY THE LICENSED CORPORATIONS TO BE USED SOLELY FOR
8 PURSES TO THE HORSEMEN.

9 (3) TWENTY-FIVE PERCENT OF THE BREAKAGE SHALL BE PAID TO
10 THE DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE HORSE
11 RACING FUND.

12 (D) ALL BREAKAGE RETAINED UNDER SECTION 221 BY LICENSED
13 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS SHALL BE
14 DISTRIBUTED IN THE FOLLOWING MANNER:

15 (1) FIFTY PERCENT OF THE BREAKAGE SHALL BE RETAINED BY
16 THE LICENSED CORPORATIONS.

17 (2) THE REMAINING 50% OF THE BREAKAGE SHALL BE RETAINED
18 BY THE LICENSED CORPORATIONS OF WHICH ONE-HALF OF THIS
19 BREAKAGE SHALL BE USED SOLELY BY THE LICENSED CORPORATIONS
20 FOR CLAIMING AND NONCLAIMING RACES WHERE ENTRY IS RESTRICTED
21 TO PENNSYLVANIA-SIRED HORSES IN THE FOLLOWING MANNER:

22 (I) ON JANUARY 1, 1982, AND THEREAFTER AT LEAST FIVE
23 OF THE HORSES PROGRAMMED TO START SHALL BE PENNSYLVANIA-
24 SIRED HORSES. IF AT LEAST FIVE OF THE HORSES PROGRAMMED
25 TO START ARE NOT PENNSYLVANIA-SIRED HORSES, THEN THE
26 LICENSED CORPORATION CONDUCTING THE MEET SHALL CANCEL THE
27 RACE.

28 (II) ON JANUARY 1, 1983, AND THEREAFTER AT LEAST
29 SEVEN OF THE HORSES PROGRAMMED TO START SHALL BE
30 PENNSYLVANIA-SIRED HORSES. IF AT LEAST SEVEN OF THE

1 HORSES PROGRAMMED TO START ARE NOT PENNSYLVANIA-SIRED
2 HORSES, THEN THE LICENSED CORPORATION CONDUCTING THE MEET
3 SHALL CANCEL THE RACE.

4 (III) ON JANUARY 1, 1984, AND THEREAFTER, ONLY
5 PENNSYLVANIA-SIRED HORSES SHALL BE ALLOWED TO START IN
6 THESE RACES. IF ALL THE POSITIONS ARE NOT FILLED BY
7 PENNSYLVANIA-SIRED HORSES IN THESE RACES, THEN THE
8 LICENSED CORPORATION CONDUCTING THE MEET SHALL CANCEL THE
9 RACE.

10 ALL BREAKAGE MONEYS DUE LICENSED CORPORATIONS FOR THE PURSES FOR
11 CLAIMING AND NONCLAIMING RACES UNDER THIS PARAGRAPH BUT NOT
12 EXPENDED AS A RESULT OF A RACE CANCELLATION SHALL BE CARRIED
13 FORWARD TO THE NEXT SUCCEEDING MEET BY THE LICENSED CORPORATIONS
14 TO BE USED FOR CLAIMING AND NONCLAIMING RACES WHICH RESTRICT
15 ENTRY TO PENNSYLVANIA-SIRED HORSES UNDER THE PROVISIONS OF THIS
16 PARAGRAPH.

17 (D.1) AN AMOUNT EQUIVALENT TO ONE PERCENT OF THE AMOUNT
18 WAGERED AT EACH RACING DAY AT THOROUGHBRED AND HARNESS HORSE
19 RACE MEETINGS AS SET FORTH IN SECTION 221(A)(4) AND (5) SHALL BE
20 PAID THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE
21 RACING FUND.

22 (E) ALL REMAINING MONEYS RETAINED UNDER SECTION 221 AND NOT
23 HERETOFORE DISTRIBUTED SHALL BE KEPT BY THE LICENSED
24 CORPORATIONS FOR THEIR USE.
25 SECTION 223. PENNSYLVANIA BREEDING FUND.

26 (A) THERE IS HEREBY CREATED A RESTRICTED ACCOUNT IN THE
27 STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA BREEDING FUND
28 WHICH SHALL CONSIST OF THE MONEY APPROPRIATED UNDER THE
29 PROVISIONS OF SECTION 222 AND WHICH SHALL BE ADMINISTERED BY THE
30 STATE HORSE RACING COMMISSION.

1 (B) AFTER THE DEDUCTION OF EXPENSES RELATED TO THE
2 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
3 PROGRAM INCURRED BY THE PENNSYLVANIA HORSE BREEDERS'
4 ASSOCIATION, THE STATE HORSE RACING COMMISSION SHALL, BY RULE OR
5 REGULATION, PROVIDE FOR AWARDS AS FOLLOWS:

6 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
7 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE SIRE BY A
8 REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION OF THE
9 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE, OR AN AWARD
10 OF 20% OF THE PURSE EARNED BY EVERY REGISTERED PENNSYLVANIA-
11 BRED THOROUGHBRED HORSE SIRE BY A NONREGISTERED SIRE, WHICH
12 FINISHES FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED BY A
13 LICENSED CORPORATION UNDER THIS ACT SHALL BE PAID TO THE
14 BREEDER OF SAID REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
15 HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH MAY NOT EXCEED 1%
16 OF THE TOTAL ANNUAL FUND MONEY.

17 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
18 PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH FINISHES FIRST,
19 SECOND OR THIRD IN ANY RACE CONDUCTED BY A LICENSED
20 CORPORATION UNDER THIS ACT SHALL BE PAID TO THE OWNER OF THE
21 REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY STOOD IN
22 PENNSYLVANIA AT THE TIME OF CONCEPTION OF SAID PENNSYLVANIA-
23 BRED THOROUGHBRED HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH
24 MAY NOT EXCEED .5% OF THE TOTAL ANNUAL FUND MONEY.

25 (3) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
26 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH
27 FINISHES FIRST IN ANY RACE CONDUCTED BY A LICENSED
28 CORPORATION UNDER THIS ACT NOT RESTRICTING ENTRY TO
29 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES SHALL BE
30 PAID TO THE LICENSED OWNER OF SAID REGISTERED PENNSYLVANIA-

1 BRED THOROUGHBRED HORSE AT THE TIME OF WINNING. A SINGLE
2 AWARD UNDER THIS PARAGRAPH MAY NOT EXCEED .5% OF THE TOTAL
3 ANNUAL FUND MONEY.

4 (C) UP TO ONE-FIFTH OF THE TOTAL OF THE ESTIMATED FUND
5 MONEYS REMAINING EACH YEAR AFTER THE DEDUCTION OF EXPENSES
6 RELATED TO THE ADMINISTRATION AND DEVELOPMENT OF THE
7 PENNSYLVANIA BREEDING FUND PROGRAM AND THE PAYMENT OF BREEDER,
8 STALLION AND OWNER AWARDS, SHALL BE DIVIDED AMONG THE LICENSED
9 CORPORATIONS THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN
10 DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED CORPORATION
11 GENERATED THE FUND MONEYS DURING THE PREVIOUS YEAR TO BE USED
12 SOLELY FOR PURSES FOR PENNSYLVANIA BREEDING FUND STAKES RACES
13 WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
14 THOROUGHBRED HORSES.

15 (D) THE FUND MONEYS REMAINING FOLLOWING DISBURSEMENTS AS
16 DIRECTED IN SUBSECTION (B) (1), (2) AND (3) AND SUBSECTION (C)
17 SHALL BE DIVIDED AMONG THE LICENSED CORPORATIONS THAT CONDUCT
18 THOROUGHBRED HORSE RACE MEETINGS IN DIRECT PROPORTION TO THE
19 RATE BY WHICH EACH LICENSED CORPORATION GENERATED THE FUND
20 MONEYS DURING THE PREVIOUS YEAR TO BE USED FOR PURSES AS
21 FOLLOWS:

22 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
23 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
24 THOROUGHBRED HORSES.

25 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
26 RACES WHICH PREFER REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
27 HORSES AS STARTERS. IN THESE RACES, SHOULD EIGHT OR MORE
28 REGISTERED PENNSYLVANIA-BRED HORSES PASS THE ENTRY BOX, THE
29 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
30 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES.

1 (E) THOSE PENNSYLVANIA BREEDING FUND MONEYS DUE LICENSED
2 CORPORATIONS AS OUTLINED IN SUBSECTIONS (C) AND (D) BUT NOT
3 EXPENDED DURING THE CALENDAR YEAR MAY BE CARRIED FORTH IN THE
4 FUND ON THE ACCOUNT OF SAID LICENSED CORPORATIONS TO BE EXPENDED
5 DURING THE SUCCEEDING YEAR IN ADDITION TO SAID CORPORATIONS'
6 FUND MONEYS ANNUALLY DUE THEM FOR PURSES.

7 (F) THE PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE, UNDER
8 THE JURISDICTION OF THE STATE HORSE RACING COMMISSION, IS HEREBY
9 ESTABLISHED AND SHALL BE PART OF THE PENNSYLVANIA STATE HORSE
10 RACING COMMISSION. THE COMMISSION SHALL CONSIST OF FIVE MEMBERS,
11 ALL OF WHOM SHALL BE RESIDENTS OF PENNSYLVANIA, TO BE APPOINTED
12 BY THE COMMISSION BY JUNE 1 OF EACH YEAR. THE COMMITTEE SHALL
13 CONSIST OF TWO MEMBERS OF THE PENNSYLVANIA HORSE BREEDERS'
14 ASSOCIATION, ONE MEMBER FROM THE LICENSED CORPORATIONS, ONE
15 MEMBER FROM THE ASSOCIATION REPRESENTING HORSEMEN RACING IN
16 PENNSYLVANIA AND ONE MEMBER OF THE COMMISSION. IF ANY MEMBER
17 OTHER THAN THE COMMISSION MEMBER HAS NOT BEEN RECOMMENDED BY
18 JUNE 1 OF EACH YEAR, THE COMMISSION SHALL MAKE AN APPOINTMENT
19 FOR THE ORGANIZATION FAILING TO SO RECOMMEND A MEMBER OF THE
20 COMMITTEE. THE COMMITTEE SHALL ASSIST AND ADVISE THE COMMISSION
21 UNDER THE PROVISIONS OF THIS ACT BUT SHALL HAVE NO POWER IN
22 ADMINISTERING THE FUND. THE MEMBERS OF THE COMMITTEE SHALL
23 RECEIVE NO COMPENSATION FOR THEIR SERVICES AS MEMBERS.

24 (G) THE STATE HORSE RACING COMMISSION MAY CONTRACT WITH THE
25 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION AS THE SOLE RESPONSIBLE
26 BODY FOR THE REGISTRATION AND RECORDS OF PENNSYLVANIA-BREDS. THE
27 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL ADVISE THE
28 COMMISSION WHEN CALLED UPON AND SHALL DETERMINE THE
29 QUALIFICATIONS FOR PENNSYLVANIA-BRED THOROUGHBRED HORSES AND
30 PENNSYLVANIA SIRES. ITS REGISTRATION AND RECORD FACTS ARE HEREBY

1 DECLARED AS OFFICIAL PENNSYLVANIA RECORDS. AT THE CLOSE OF EACH
2 CALENDAR YEAR, THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION,
3 THROUGH THE PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE, SHALL
4 SUBMIT TO THE COMMISSION FOR ITS APPROVAL AN ITEMIZED BUDGET OF
5 PROJECTED EXPENSES FOR THE ENSUING YEAR RELATING TO THE
6 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
7 PROGRAM. THE COMMISSION, ON NO MORE THAN A QUARTERLY BASIS,
8 SHALL REIMBURSE FROM THE FUND THE PENNSYLVANIA HORSE BREEDERS'
9 ASSOCIATION FOR THOSE EXPENSES ACTUALLY INCURRED IN THE
10 ADMINISTRATION AND DEVELOPMENT OF THE BREEDING FUND PROGRAM.
11 SECTION 224. PENNSYLVANIA SIRE STAKES FUND.

12 (A) THERE IS HEREBY CREATED A RESTRICTED ACCOUNT IN THE
13 STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA SIRE STAKES
14 FUND WHICH SHALL CONSIST OF THE MONEY APPROPRIATED UNDER THE
15 PROVISIONS OF SECTION 222 AND WHICH SHALL BE ADMINISTERED BY THE
16 STATE HARNESS RACING COMMISSION.

17 (B) SIXTY PERCENT OF THE MONEY REMAINING IN THE EXCESS FUND
18 ACCOUNT OF THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
19 CALENDAR YEAR IN WHICH THIS SUBSECTION IS ENACTED SHALL BE
20 DISTRIBUTED TO LICENSED CORPORATIONS THAT CONDUCT HARNESS HORSE
21 RACE MEETINGS TO BE USED IN THE NEXT SUCCEEDING CALENDAR YEAR AS
22 PURSE MONEY FOR PENNSYLVANIA-SIRED HORSES. THE REMAINING 40% OF
23 THE MONEY IN THE EXCESS FUND ACCOUNT AT THE END OF THE CALENDAR
24 YEAR OF THE ENACTMENT OF THIS SUBSECTION, TOGETHER WITH THE
25 INTEREST EARNED ON THAT MONEY, SHALL BE DISTRIBUTED TO LICENSED
26 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS TO BE USED
27 IN THE NEXT SUCCEEDING CALENDAR YEAR FOLLOWING THE NEXT
28 SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-SIRED
29 HORSES. AFTER DEDUCTION OF SUFFICIENT FUNDS TO COVER THE STATE
30 HARNESS RACING COMMISSION'S COST OF ADMINISTRATION, 80%, UNLESS

1 A SMALLER PERCENTAGE IS NECESSARY IN ORDER TO COMPLY WITH THE
2 MINIMUM DOLLAR REQUIREMENT OF SUBSECTION (E), OF ALL REMAINING
3 MONEYS IN THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
4 CALENDAR YEAR SHALL BE DISTRIBUTED TO LICENSED CORPORATIONS THAT
5 CONDUCT HARNESS HORSE RACE MEETINGS TO BE USED AS PURSE MONEY
6 FOR PENNSYLVANIA-SIRED HORSES. THE STATE HARNESS RACING
7 COMMISSION MAY THEN ALLOCATE UP TO A TOTAL OF AND NOT EXCEEDING
8 40% OF THE TOTAL AMOUNT TO BE DISTRIBUTED TO LICENSED
9 CORPORATIONS IN A CALENDAR YEAR FOR USE FOR A SERIES OF
10 CHAMPIONSHIP FINAL RACES AT THE RACE TRACKS OF LICENSED
11 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS. THE STATE
12 HARNESS RACING COMMISSION SHALL ALLOCATE THE MONEYS TO THESE
13 CHAMPIONSHIP FINAL RACES IN AN EQUAL AMOUNT FOR EACH SEX, AGE
14 AND GAIT FOR TWO- AND THREE-YEAR-OLD TROTTERS AND PACERS. THE
15 STATE HARNESS RACING COMMISSION SHALL DETERMINE CONDITIONS
16 ESTABLISHING ELIGIBILITY TO THESE FINAL EVENTS. NO PARI-MUTUEL
17 HARNESS TRACK SHALL BE AWARDED MORE THAN 50% OF THE CHAMPIONSHIP
18 FINAL RACES IN ANY CALENDAR YEAR. THE STATE HARNESS RACING
19 COMMISSION SHALL SCHEDULE THESE FINAL EVENTS SO AS TO EVENLY
20 ALTERNATE CLASSES AT EACH RACE TRACK EACH YEAR. AFTER THE
21 ALLOCATION FOR THE CHAMPIONSHIP FINAL RACES HAS BEEN DETERMINED,
22 THE REMAINING FUNDS TO BE DISTRIBUTED TO LICENSED CORPORATIONS
23 THAT CONDUCT HARNESS HORSE RACE MEETINGS SHALL BE DIVIDED
24 EQUALLY AMONG THE LICENSED CORPORATIONS. EACH LICENSED
25 CORPORATION SHALL DIVIDE THE FUNDS RECEIVED EQUALLY FOR EACH OF:

26 (1) FOUR TWO-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
27 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
28 FILLIES; AND

29 (2) FOUR THREE-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
30 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR

1 FILLIES.

2 (C) EACH ALLOTMENT SHALL PROVIDE PURSE MONEY FOR THE
3 RESPECTIVE RACES. THE PURSE MONEY SHALL BE IN ADDITION TO ANY
4 ENTRY FEES OR OTHER FUNDS AVAILABLE.

5 (D) ENTRY FOR THESE RACES SHALL BE LIMITED TO HARNESS HORSES
6 WHICH WERE SIRE BY A STANDARD BRED STALLION REGULARLY STANDING
7 IN PENNSYLVANIA AND EACH RACE SHALL BE DESIGNATED A PENNSYLVANIA
8 SIRE STAKES RACE. THE STATE HARNESS RACING COMMISSION SHALL MAKE
9 THE PROVISIONS AND REGULATIONS AS IT SHALL DEEM NECESSARY FOR
10 THE PROPER ADMINISTRATION OF THE ENTRY RESTRICTION.

11 (E) THE REMAINING MONEYS IN THE PENNSYLVANIA SIRE STAKES
12 FUND UP TO A TOTAL OF AND NOT EXCEEDING \$25,000 FOR EACH
13 AGRICULTURAL FAIR AND ONE- OR TWO-DAY EVENTS AS DEFINED IN
14 HARNESS RACING COMMISSION REGULATIONS SHALL BE DIVIDED EQUALLY
15 AMONG THOSE AGRICULTURAL FAIRS AND ONE- OR TWO-DAY EVENTS, NOT
16 TO EXCEED MORE THAN FIVE ONE- OR TWO-DAY EVENTS PER YEAR AND AS
17 AUTHORIZED BY THE STATE HARNESS RACING COMMISSION, PROVIDED THAT
18 NO MORE THAN TWO ONE-DAY OR TWO-DAY EVENTS PER COUNTY ARE
19 AUTHORIZED UNLESS, AFTER A DATE ESTABLISHED BY THE COMMISSION,
20 ALL FIVE OF THE EVENTS HAVE NOT BEEN ALLOCATED, CONDUCTING
21 HARNESS HORSE RACES FOR TWO-YEAR-OLD AND THREE-YEAR-OLD HARNESS
22 HORSES: PROVIDED, HOWEVER, THAT IN NO EVENT SHALL LESS THAN
23 \$225,000 BE ALLOCATED FROM THE PENNSYLVANIA SIRE STAKES FUND AND
24 BE DIVIDED EQUALLY AMONG THOSE AGRICULTURAL FAIRS AND ONE- OR
25 TWO-DAY EVENTS CONDUCTING THESE RACES. EACH FAIR OR ONE- OR TWO-
26 DAY EVENTS RECEIVING THE FUNDS SHALL DIVIDE THE TOTAL AMOUNT
27 EQUALLY AMONG ALL ELIGIBLE RACES FOR TWO-YEAR-OLD AND THREE-
28 YEAR-OLD HARNESS HORSES AND SHALL APPLY THE FUNDS SOLELY AS
29 ADDITIONAL PURSE FUNDS. ONLY RACES TO WHICH ENTRY IS RESTRICTED
30 TO PENNSYLVANIA-SIRED HORSES SHALL BE ELIGIBLE. THE STATE

1 HARNESS RACING COMMISSION SHALL MAKE THE PROVISIONS AND
2 REGULATIONS AS IT SHALL DEEM NECESSARY FOR THE PROPER
3 ADMINISTRATION OF ALL RACING PROVIDED FOR IN THIS SUBSECTION,
4 INCLUDING, BUT NOT LIMITED TO, PORTABLE STALL RENTALS AT ONE-DAY
5 OR TWO-DAY EVENTS.

6 (F) THE FUND MONEYS REMAINING FOLLOWING DISBURSEMENTS AS
7 DIRECTED IN SUBSECTIONS (B), (C), (D) AND (E) SHALL, EXCEPT AS
8 PROVIDED IN SUBSECTION (B), BE DIVIDED AMONG ACTIVE LICENSED
9 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS UNDER THIS
10 ACT IN DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED
11 CORPORATION GENERATED THE FUND MONEYS DURING THE PREVIOUS YEAR.
12 THE FUND MONEYS SO DIVIDED SHALL BE USED FOR PURSES AS FOLLOWS:

13 (1) A MINIMUM OF FOUR RACES, CLAIMING AND NONCLAIMING,
14 SHALL BE CARDED PER WEEK ON THE CONDITION SHEET FOR OVERNIGHT
15 CLAIMING AND NONCLAIMING PENNSYLVANIA FUND RACES WHICH
16 RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-SIRED OR WHOLLY
17 PENNSYLVANIA-OWNED HARNESS HORSES.

18 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA FUND RACES
19 WHICH PREFER REGISTERED PENNSYLVANIA-SIRED HARNESS HORSES AS
20 STARTERS. IN THESE RACES, SHOULD SEVEN OR MORE REGISTERED
21 PENNSYLVANIA-SIRED HARNESS HORSES PASS THE ENTRY BOX, THE
22 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
23 REGISTERED PENNSYLVANIA-SIRED HARNESS HORSES.

24 SECTION 225.1. FAIR FUND PROCEEDS.

25 THE SECRETARY OF AGRICULTURE SHALL DISTRIBUTE CERTAIN MONEYS
26 IN THE FAIR FUND ANNUALLY, ON OR BEFORE MARCH 1, FOR
27 REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL SOCIETY AND EACH
28 INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING HARNESS HORSE RACING
29 DURING ITS ANNUAL FAIR OTHER THAN RACES FOR TWO- AND THREE-YEAR
30 OLD COLTS AND FILLIES, AN AMOUNT OF MONEY EQUAL TO THAT USED

1 DURING THEIR ANNUAL FAIR AS PURSE MONEY FOR HARNESS HORSE
2 RACING, TRACK AND STABLE MAINTENANCE, STARTING GATE RENTAL AND
3 THE COST OF ALL HARNESS HORSE RACING OFFICIALS REQUIRED DURING
4 THEIR ANNUAL FAIR, BUT NOT MORE THAN \$13,000, A MINIMUM OF
5 \$4,000 OF WHICH MUST BE USED FOR PURSE MONEY AND THE BALANCE OF
6 SAID ALLOTMENT PER FAIR, NOT USED FOR PURSE MONEY OVER THE
7 MINIMUM \$4,000 ALLOTMENT, SHALL BE USED FOR SAID SPECIFIC
8 PURPOSES HEREIN BEFORE REFERENCED, OR OTHERWISE SAID ALLOTMENT
9 SHALL BE RETAINED IN THE FUND. THE STATE HARNESS RACING
10 COMMISSION SHALL CAUSE TO BE CARRIED OUT AS ITS RESPONSIBILITY A
11 YEARLY INSPECTION OF EACH TRACK FACILITY AND SHALL ADVISE EACH
12 OPERATING FAIR OF NECESSARY TRACK MAINTENANCE WHICH IS NECESSARY
13 TO INSURE ADEQUATE RACING SURFACE DURING THE COURSE OF SCHEDULED
14 FAIRS AND RACING EVENTS. IF IT IS THE OPINION OF THE COMMISSION
15 THAT THE FAIR SOCIETY OR EVENT SPONSOR IS NOT ADEQUATELY
16 FINANCING TRACK MAINTENANCE THROUGH ITS PERMISSIBLE
17 REIMBURSEMENT UNDER THIS PARAGRAPH, THE COMMISSION SHALL SO
18 SURCHARGE THE FAIR FUND ACCOUNT OF SAID FAIR SOCIETY OR EVENT
19 SPONSOR TO EFFECTUATE SAID REMEDIATION.

20 SECTION 226. HEARING OF REFUSAL OR REVOCATION OF LICENSE.

21 IF THE COMMISSIONS REFUSE TO GRANT ANY LICENSE APPLIED FOR
22 UNDER THIS ACT, OR SHALL REVOKE OR SUSPEND ANY LICENSE GRANTED,
23 THE APPLICANT OR LICENSEE MAY DEMAND, WITHIN TEN DAYS AFTER
24 NOTICE OF THE DECISION OF THE APPROPRIATE COMMISSION, A HEARING
25 BEFORE THE APPROPRIATE COMMISSION. THE COMMISSION SHALL GIVE
26 PROMPT NOTICE OF THE TIME AND PLACE FOR THE HEARING AT WHICH
27 TIME THE COMMISSION WILL HEAR THE APPLICANT OR LICENSEE. PENDING
28 THE HEARING AND FINAL DETERMINATION, THE ACTION OF THE
29 COMMISSIONS IN REFUSING TO GRANT OR IN REVOKING OR SUSPENDING A
30 LICENSE SHALL REMAIN IN FULL FORCE. THE COMMISSIONS MAY CONTINUE

1 ANY HEARING FROM TIME TO TIME FOR THE CONVENIENCE OF ANY OF THE
2 PARTIES. ANY OF THE PARTIES AFFECTED BY A HEARING MAY BE
3 REPRESENTED BY COUNSEL. IN THE CONDUCT OF THE HEARING, THE
4 COMMISSIONS SHALL NOT BE BOUND BY TECHNICAL RULES OF EVIDENCE,
5 BUT ALL EVIDENCE OFFERED BEFORE THE COMMISSIONS SHALL BE REDUCED
6 TO WRITING. ALL EVIDENCE, EXHIBITS AND FINDINGS OF THE
7 COMMISSIONS SHALL BE PERMANENTLY PRESERVED AND SHALL CONSTITUTE
8 THE RECORD OF THE COMMISSION. IN CONNECTION WITH THE HEARING,
9 THE COMMISSIONS SHALL HAVE THE POWER TO ADMINISTER OATHS AND
10 EXAMINE WITNESSES, AND MAY ISSUE SUBPOENAS TO COMPEL ATTENDANCE
11 OF WITNESSES AND THE PRODUCTION OF ALL MATERIAL AND RELEVANT
12 REPORTS, BOOKS, PAPERS, DOCUMENTS, CORRESPONDENCE AND OTHER
13 EVIDENCE. THE COMMISSIONS MAY BY ORDER REFER TO ONE OR MORE OF
14 ITS OFFICERS THE DUTY OF TAKING TESTIMONY IN THE MATTER AND TO
15 REPORT TO THE COMMISSION. WITHIN 30 DAYS AFTER THE CONCLUSION OF
16 THE HEARING, THE APPROPRIATE COMMISSION SHALL MAKE A FINAL ORDER
17 IN WRITING, SETTING FORTH THE REASONS FOR THE ACTION TAKEN BY IT
18 AND A COPY THEREOF SHALL BE SERVED ON THE APPLICANT OR LICENSEE.
19 SECTION 227. APPROVAL OF THE RACING FACILITY.

20 THE COMMISSIONS SHALL NOT GRANT TO A CORPORATION FORMED UNDER
21 THIS ACT A LICENSE TO CONDUCT A HORSE RACE MEETING AT WHICH
22 PARI-MUTUEL BETTING MAY BE CONDUCTED, UNTIL THE CORPORATION HAS
23 SUBMITTED TO THE APPROPRIATE COMMISSION A STATEMENT OF THE
24 LOCATION OF ITS PROPOSED GROUNDS AND RACE TRACK, TOGETHER WITH A
25 PLAN OF THE TRACK AND PLANS OF ALL BUILDINGS, SEATING STANDS AND
26 OTHER STRUCTURES IN A FORM AS THE APPROPRIATE COMMISSION MAY
27 PRESCRIBE. ALL PLANS SHALL BE APPROVED BY THE APPROPRIATE
28 COMMISSION BEFORE THE ISSUANCE OF ANY LICENSE TO CONDUCT A PARI-
29 MUTUEL HORSE RACE MEETING.

30 SECTION 228. PROHIBITION OF WAGERING BY CERTAIN OFFICIALS,

1 EMPLOYEES AND MINORS.

2 NO COMMISSIONER, EXECUTIVE SECRETARY, DEPUTY, OFFICER,
3 REPRESENTATIVE, EMPLOYEE OR COUNSEL OF THE COMMISSION SHALL
4 WAGER UPON THE OUTCOME OF ANY HORSE RACE CONDUCTED AT A TRACK AT
5 WHICH PARI-MUTUEL WAGERING IS CONDUCTED BY ANY LICENSED
6 CORPORATION OF THE COMMISSIONS. NO LICENSED CORPORATION SHALL
7 PERMIT ANY PERSON WHO IS ACTUALLY AND APPARENTLY UNDER 18 YEARS
8 OF AGE TO WAGER AT A RACE MEETING CONDUCTED BY IT. NO LICENSED
9 CORPORATION SHALL PERMIT ANY PERSON WHO IS UNDER 18 YEARS OF AGE
10 TO ATTEND A HORSE RACE MEETING CONDUCTED BY IT UNLESS THE PERSON
11 IS ACCOMPANIED BY A PARENT OR GUARDIAN. THIS SECTION SHALL NOT
12 BE CONSTRUED TO PROHIBIT PERSONS UNDER 18 YEARS OF AGE, WHO ARE
13 LEGALLY EMPLOYED, FROM BEING UPON THE RACE TRACK PREMISES FOR
14 THE SOLE PURPOSE OF ENGAGING IN THE PERFORMANCE OF THEIR DUTIES
15 AS EMPLOYEES. THE COMMISSIONS SHALL, BY RULE, PROVIDE FOR
16 ENFORCEMENT OF THIS SECTION.

17 SECTION 229. STATE HORSE RACING VETERINARIANS AND STATE
18 STEWARDS.

19 (A) THE STATE HORSE RACING COMMISSION SHALL APPOINT AND
20 EMPLOY LICENSED VETERINARIANS AND STEWARDS TO SERVE AS THE HORSE
21 RACING VETERINARIANS AND STATE STEWARDS FOR HORSE RACING,
22 RESPECTIVELY, AT EACH MEETING CONDUCTED BY A CORPORATION
23 LICENSED BY THE STATE HORSE RACING COMMISSION. THE STATE HORSE
24 RACING COMMISSION SHALL HAVE THE AUTHORITY TO EMPLOY OTHER
25 INDIVIDUALS AS SHALL BE NECESSARY TO CARRY OUT THE
26 RESPONSIBILITIES OF THIS SECTION.

27 (B) THE COSTS AND COMPENSATION OF THE HORSE RACING
28 VETERINARIANS, STATE STEWARDS AND OTHER INDIVIDUALS EMPLOYED
29 SHALL BE FIXED AND PAID BY THE STATE HORSE RACING COMMISSION.

30 (C) THE STATE HORSE RACING COMMISSION SHALL ESTABLISH A JOB

1 DESCRIPTION AND PROFESSIONAL CRITERIA FOR STEWARDS TO ASSURE
2 THAT THEY HAVE A WORKING KNOWLEDGE OF THE HORSE RACING INDUSTRY.
3 SECTION 230. STATE HARNESS RACING VETERINARIANS.

4 (A) THE STATE HARNESS RACING COMMISSION SHALL APPOINT AND
5 EMPLOY LICENSED VETERINARIANS TO SERVE AS THE HARNESS RACING
6 VETERINARIANS FOR HARNESS RACING AT EACH MEETING CONDUCTED BY A
7 CORPORATION LICENSED BY THE STATE HARNESS RACING COMMISSION. THE
8 STATE HARNESS RACING COMMISSION SHALL HAVE THE AUTHORITY TO
9 EMPLOY OTHER INDIVIDUALS AS SHALL BE NECESSARY TO CARRY OUT THE
10 RESPONSIBILITIES UNDER THIS SECTION.

11 (B) THE COSTS AND COMPENSATION OF THE HARNESS RACING
12 VETERINARIANS AND OTHER INDIVIDUALS EMPLOYED TO CARRY OUT THE
13 PROVISIONS OF THIS ACT SHALL BE FIXED AND PAID BY THE STATE
14 HARNESS RACING COMMISSION.

15 SECTION 231. FREE PASSES, CARDS OR BADGES.

16 (A) A LICENSED CORPORATION SHALL NOT ISSUE FREE PASSES,
17 CARDS OR BADGES WITHOUT ADMISSION TAX, EXCEPT TO PERSONS
18 HEREAFTER DESCRIBED: OFFICERS, EMPLOYEES AND SHAREHOLDERS OF THE
19 CORPORATION CONDUCTING THE RACE MEETING; MEMBERS, OFFICERS AND
20 EMPLOYEES OF THE COMMISSIONS; MEMBERS OF HORSE RACING
21 ASSOCIATIONS OF OTHER STATES AND FOREIGN COUNTRIES; PUBLIC
22 OFFICERS ENGAGED IN THE PERFORMANCE OF THEIR DUTIES; PERSONS
23 EMPLOYED AND ACCREDITED BY THE PRESS TO ATTEND SUCH MEETING;
24 OWNERS, STABLE MANAGERS, TRAINERS, JOCKEYS, CONCESSIONARIES AND
25 OTHER PERSONS WHOSE ACTUAL DUTIES REQUIRE THEIR PRESENCE AT THE
26 RACE TRACKS.

27 (B) THE COMMISSIONS MAY ALLOW A LICENSED CORPORATION TO
28 ISSUE FREE PASSES, CARDS OR BADGES FOR SPECIAL PROMOTIONAL
29 PROGRAMS AND SEASONAL DISCOUNT TICKET PROGRAMS, SO LONG AS THE
30 CORPORATION HAS OBTAINED APPROVAL FROM THE APPROPRIATE

1 COMMISSION. THE ADMISSIONS TAXES UNDER SECTION 208 SHALL BE
2 IMPOSED ON THE PRICE OF ALL SEASONAL DISCOUNT TICKETS SOLD BY A
3 LICENSED CORPORATION.

4 (C) THE ISSUANCE OF TAX-FREE PASSES, CARDS OR BADGES SHALL
5 BE UNDER THE RULES AND REGULATIONS OF THE COMMISSIONS. A LIST OF
6 ALL PERSONS, EXCEPT PERSONS ADMITTED UNDER AN APPROVED SPECIAL
7 PROMOTIONAL PROGRAM OR SEASONAL DISCOUNT TICKET PROGRAM, TO WHOM
8 FREE PASSES, CARDS OR BADGES ARE ISSUED SHALL BE FILED WITH THE
9 APPROPRIATE COMMISSION.

10 SECTION 232. POLITICAL SUBDIVISION AGRICULTURAL FAIRS AND HORSE
11 RACE MEETINGS NOT LICENSED TO CONDUCT PARI-MUTUEL
12 WAGERING.

13 PARI-MUTUEL WAGERING ON HORSE RACES AT ANY COUNTY OR OTHER
14 POLITICAL SUBDIVISION, AGRICULTURAL OR OTHER FAIR SHALL NOT BE
15 AUTHORIZED. NO LOTTERY, POOL SELLING, BOOKMAKING OR ANY OTHER
16 KIND OF GAMBLING UPON THE RESULTS OF RACES, HEATS OR CONTESTS OF
17 SPEED OF HORSES SHALL BE ALLOWED AT ANY FAIR OR AT ANY HORSE
18 RACE MEETING CONDUCTED IN THE STATE, EXCEPT THOSE LICENSED TO
19 OPERATE PARI-MUTUEL WAGERING UNDER THE PROVISIONS OF THIS ACT.

20 SECTION 233. MONITORING OF WAGERING ON VIDEO SCREENS.

21 EVERY CORPORATION LICENSED TO CONDUCT PARI-MUTUEL BETTING
22 SHALL DISPLAY ON VIDEO SCREENS THE APPROXIMATE ODDS OR
23 APPROXIMATE WILL-PAYS ON EACH HORSE FOR EACH RACE AS WELL AS ANY
24 COMBINATION OF RACES INCLUDING, BUT NOT LIMITED TO, QUINELLAS,
25 EXACTAS, PERFECTAS AND ANY OTHER COMBINATION OR POOL OF RACES.
26 NO DISPLAY OF APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS SHALL BE
27 REQUIRED WHERE THE WAGER IS ON HORSES IN FOUR OR MORE RACES,
28 SUCH AS "PICK 4, PICK 5 OR PICK 6." IN ADDITION TO DISPLAYING
29 THE AMOUNT OF MONEY WAGERED, THE APPROXIMATE ODDS OR APPROXIMATE
30 WILL-PAYS ON EACH HORSE OR COMBINATION OF HORSES SHALL BE SHOWN

1 ON VIDEO SCREENS IN EACH WAGERING DIVISION. FOR TRIFECTAS, IN
2 LIEU OF ODDS OR APPROXIMATE WILL-PAYS, THE AMOUNT OF MONEY BEING
3 WAGERED ON EACH HORSE TO WIN IN THE TRIFECTA POOL SHALL BE
4 DISPLAYED ON VIDEO SCREENS SEPARATELY FROM ANY OTHER
5 INFORMATION. THE ABOVE REQUIRED INFORMATION SHALL BE DISPLAYED
6 FROM THE OPENING OF BETS OR WAGERING AND BE CONTINUALLY
7 DISPLAYED UNTIL THE WAGERING IS CLOSED. AT LEAST ONE VIDEO
8 SCREEN IN EACH WAGERING DIVISION SHALL DISPLAY THE AMOUNT OF
9 MONEY WAGERED ON EACH HORSE INVOLVED IN ANY TRIFECTA POOL.
10 SECTION 234. SIMULCASTING.

11 THE STATE HORSE RACING COMMISSION AND THE STATE HARNESS
12 RACING COMMISSION SHALL ONLY PERMIT INTRASTATE SIMULCASTING OF
13 LIVE RACING BETWEEN TWO LICENSED CORPORATIONS WHEN EACH
14 CONTINUES TO SCHEDULE 95% OF THE TOTAL NUMBER OF HORSE OR
15 HARNESS RACING DAYS SCHEDULED IN 1986 AT THE FACILITY WHERE EACH
16 SAID LICENSED CORPORATION CONDUCTS ITS HORSE OR HARNESS RACING
17 DATES, AND WHEN THE AVERAGE NUMBER OF LIVE HORSE OR HARNESS
18 RACES PER RACE DAY EQUALS 90% OF THE AVERAGE NUMBER OF LIVE
19 HORSE OR HARNESS RACES CONDUCTED PER DAY IN 1985 AT THE FACILITY
20 WHERE EACH SAID LICENSED CORPORATION CONDUCTS ITS HORSE OR
21 HARNESS RACING DATES, SUBJECT TO ANY ACTIONS OR ACTIVITIES
22 BEYOND THE CONTROL OF THE LICENSEE: PROVIDED, HOWEVER, THAT FOR
23 ANY LICENSED CORPORATION THAT WAS GRANTED A PERMANENT LICENSE
24 FOR HORSE RACING AND OPERATING AT A FACILITY WHERE THE AVERAGE
25 DAILY HANDLE AT THE FACILITY AT WHICH THE LICENSED CORPORATION
26 CONDUCTS RACING DATES IS LESS THAN \$150,000 IN ANY CALENDAR YEAR
27 AFTER 1985, THE STATE HORSE RACING COMMISSION MAY PERMIT
28 INTRASTATE SIMULCASTING WHEN THE LICENSED CORPORATION FIRST
29 SCHEDULES A MINIMUM OF 50 RACING DAYS IN THE CALENDAR YEAR IN
30 WHICH IT WISHES TO SIMULCAST. A NEWLY LICENSED CORPORATION

1 RACING AT THE FACILITY MAY BE PERMITTED TO INTRASTATE SIMULCAST
2 BY THE STATE HORSE RACING COMMISSION WHEN IT FIRST SCHEDULES AT
3 LEAST 50 RACING DATES IN THE YEAR IN WHICH IT WISHES TO
4 SIMULCAST. IF A NEWLY LICENSED CORPORATION IS AWARDED HARNESS OR
5 HORSE RACING DATES AFTER 1987 AND RACES THOSE DATES AT A HORSE
6 OR HARNESS RACING FACILITY EXISTING IN 1987, OTHER THAN A
7 FACILITY WHOSE AVERAGE DAILY HANDLE IS LESS THAN \$150,000, THE
8 RESPECTIVE COMMISSIONS SHALL NOT PERMIT INTRASTATE SIMULCASTING
9 UNLESS THE SAME NUMBER OF HORSE OR HARNESS DATES SCHEDULED AT
10 THAT FACILITY IN 1987 ARE SCHEDULED AT THAT FACILITY IN THE YEAR
11 THAT THE CORPORATION WISHES TO SIMULCAST SUBJECT TO ANY ACTIONS
12 OR ACTIVITIES BEYOND THE CONTROL OF THE LICENSEES (I.E. ACT OF
13 GOD, STRIKE). FOR A LICENSED CORPORATION AWARDED RACING DATES AT
14 A FACILITY WHICH DID NOT CONDUCT HORSE OR HARNESS RACING PRIOR
15 TO 1987, THE RESPECTIVE COMMISSIONS MAY PERMIT INTRASTATE
16 SIMULCASTING IF THE LICENSED CORPORATION IS THE ONLY CORPORATION
17 OPERATING THAT FACILITY WHEN THAT CORPORATION FIRST SCHEDULES A
18 MINIMUM OF 125 DAYS OF RACING DATES IN THE CALENDAR YEAR IN
19 WHICH IT WISHES TO SIMULCAST OR WHEN MORE THAN ONE SUCH
20 CORPORATION IS AWARDED DATES FOR RACING AT THE SAME FACILITY
21 WHEN THOSE CORPORATIONS FIRST SCHEDULE A MINIMUM OF 200 DAYS OF
22 RACING IN THE CALENDAR YEAR IN WHICH THEY WISH TO SIMULCAST. FOR
23 PURPOSES OF THIS SECTION A RACING DAY SHALL CONSIST OF A MINIMUM
24 OF EIGHT LIVE RACES, EXCEPT AT THOROUGHBRED TRACKS ON BREEDERS'
25 CUP EVENT DAY. FOR ANY LICENSED RACING CORPORATION ENGAGED IN
26 SIMULCASTING, REGARDLESS OF LOCATION OR DISTANCE FROM ANOTHER
27 LICENSED RACING CORPORATION, THERE SHALL EXIST A WRITTEN
28 AGREEMENT WITH THE HORSEMAN'S ORGANIZATION REPRESENTING A
29 MAJORITY OF THE OWNERS AND TRAINERS AT BOTH THE SENDING AND
30 RECEIVING RACETRACKS. IF NO AGREEMENT CAN BE REACHED, THEN THE

1 LICENSED CORPORATION MAY PETITION THE COURT OF COMMON PLEAS IN
2 THE COUNTY IN WHICH THE LICENSED CORPORATION RACETRACK IS
3 LOCATED, WHICH MAY, UPON GOOD CAUSE SHOWN BY THE LICENSED
4 CORPORATION THAT FAILURE TO CONSENT WOULD BE DETRIMENTAL TO THE
5 PENNSYLVANIA RACING INDUSTRY, DIRECT THE ORGANIZATION
6 REPRESENTING THE HORSEMEN TO APPROVE THE SIMULCAST AGREEMENT.
7 THE RESPECTIVE COMMISSION MAY THEN AUTHORIZE THE SIMULCASTING,
8 IF, IN THE OPINION OF THE APPROPRIATE COMMISSION, SUCH
9 SIMULCASTING WILL HAVE SIGNIFICANT VALUE TO THE PENNSYLVANIA
10 RACING INDUSTRY. THE SIMULCAST SIGNAL SHALL BE ENCODED, AND THE
11 RACETRACK RECEIVING THE SIMULCAST SIGNAL SHALL NOT SEND THIS
12 SIGNAL ANYWHERE OTHER THAN PUBLIC LOCATIONS AUTHORIZED UNDER
13 SECTION 218 OR 218-A. ALL FORMS OF PARI-MUTUEL WAGERING
14 DESCRIBED IN SECTION 221 SHALL BE ALLOWED ON RACES TO BE
15 TELEVISED BY SIMULCASTING UNDER THIS SECTION. THE STATE HORSE
16 RACING COMMISSION AND THE STATE HARNESS RACING COMMISSION MAY
17 PROMULGATE REGULATIONS ON WAGERING AND THE OPERATION OF THESE
18 RACES. ALL MONEY WAGERED BY PATRONS ON THESE RACES SHALL BE
19 COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
20 PURPOSES OF TAXATION UNDER SECTION 222. IN THE EVENT THE
21 SIMULCAST IS BETWEEN A THOROUGHBRED RACETRACK AND A HARNESS
22 RACETRACK, BOTH COMMISSIONS SHALL HAVE JURISDICTION, AND ANY
23 APPROVAL REQUIRED HEREUNDER MUST BE RECEIVED FROM BOTH
24 COMMISSIONS: PROVIDED, HOWEVER, THAT IF NO AGREEMENT CAN BE
25 REACHED BETWEEN THE HORSEMAN'S ORGANIZATION AFOREMENTIONED, THEN
26 THE LICENSED CORPORATION MAY PETITION THE COURT OF COMMON PLEAS
27 IN THE COUNTY IN WHICH THE LICENSED CORPORATION RACETRACK IS
28 LOCATED, WHICH MAY, UPON GOOD CAUSE SHOWN BY THE LICENSED
29 CORPORATION THAT FAILURE TO CONSENT WOULD BE DETRIMENTAL TO THE
30 PENNSYLVANIA RACING INDUSTRY, DIRECT THE ORGANIZATION

1 REPRESENTING THE HORSEMEN TO APPROVE THE SIMULCAST AGREEMENT.
2 THE RESPECTIVE COMMISSIONS MAY THEN AUTHORIZE THE SIMULCASTING
3 IF, IN THE OPINIONS OF THE RESPECTIVE COMMISSION, SUCH
4 SIMULCASTING WILL HAVE A SIGNIFICANT VALUE TO THE PENNSYLVANIA
5 RACING INDUSTRY. THE PROVISIONS OF THIS SECTION WITH REGARD TO
6 THE REQUIRED NUMBER OF RACING DAYS MAY BE WAIVED OR MODIFIED BY
7 THE APPLICABLE COMMISSION IF THE WAIVER OR MODIFICATION HAS BEEN
8 CONSENTED TO BY THE HORSEMAN'S ORGANIZATION REPRESENTING A
9 MAJORITY OF THE OWNERS AND TRAINERS AT THE RACETRACK WHERE THE
10 RACING DAYS ARE TO BE SCHEDULED OR RACED.

11 SECTION 235. COMMINGLING.

12 (A) THIS SECTION SHALL BE APPLICABLE ONLY TO LICENSED
13 THOROUGHBRED RACING CORPORATIONS.

14 (B) THE RACE SECRETARY SHALL RECEIVE ENTRIES AND
15 DECLARATIONS AS AN AGENT FOR THE LICENSED CORPORATION FOR WHICH
16 THE RACE SECRETARY ACTS. THE RACE SECRETARY OR AN INDIVIDUAL
17 DESIGNATED BY THE LICENSED CORPORATION MAY RECEIVE STAKES,
18 FORFEITS, ENTRANCE MONEY, JOCKEY'S AND OTHER FEES, PURCHASE
19 MONEY IN CLAIMING RACES AND OTHER MONEY THAT CAN PROPERLY COME
20 INTO HIS POSSESSION AS AN AGENT FOR THE LICENSED CORPORATION FOR
21 WHICH THE RACE SECRETARY OR DESIGNEE IS ACTING.

22 (C) A LICENSED CORPORATION SHALL MAINTAIN A SEPARATE
23 ACCOUNT, CALLED A HORSEMEN'S ACCOUNT. MONEY OWING TO OWNERS IN
24 REGARD TO PURSES, STAKES, REWARDS, CLAIMS AND DEPOSITS SHALL BE
25 DEPOSITED INTO THE HORSEMEN'S ACCOUNT. FUNDS IN THE ACCOUNT
26 SHALL BE RECOGNIZED AND DENOMINATED AS BEING THE SOLE PROPERTY
27 OF OWNERS. DEPOSITED FUNDS MAY NOT BE COMMINGLED WITH FUNDS OF
28 THE LICENSED CORPORATION UNLESS A LICENSED CORPORATION HAS
29 ESTABLISHED, IN FAVOR OF THE ORGANIZATION WHICH REPRESENTS A
30 MAJORITY OF THE OWNERS AND TRAINERS RACING WITH THE LICENSED

1 CORPORATION, AN IRREVOCABLE CLEAN LETTER OF CREDIT WITH AN
2 EVERGREEN CLAUSE. THE MINIMUM AMOUNT OF THE CREDIT MUST BE THE
3 GREATER OF \$1,000,000 OR 110% OF THE HIGHEST MONTHLY BALANCE IN
4 THE HORSEMEN'S ACCOUNT IN THE IMMEDIATE PRIOR YEAR. TO CALCULATE
5 THE MONTHLY BALANCE IN THE HORSEMEN'S ACCOUNT, THE SUM OF THE
6 DAILY BALANCES SHALL BE DIVIDED BY THE NUMBER OF DAYS IN THE
7 MONTH. THE EVERGREEN CLAUSE MUST PROVIDE THAT, 30 DAYS PRIOR TO
8 THE EXPIRATION OF THE LETTER OF CREDIT, THE FINANCIAL
9 INSTITUTION CAN ELECT NOT TO RENEW THE LETTER OF CREDIT; THAT,
10 UPON THIS ELECTION, THE FINANCIAL INSTITUTION MUST NOTIFY THE
11 DESIGNEE OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
12 OWNERS AND TRAINERS RACING WITH THE LICENSED CORPORATION, BY
13 REGISTERED MAIL, RETURN RECEIPT REQUESTED, OF THE ELECTION NOT
14 TO RENEW; AND THAT THE FINANCIAL INSTITUTION WILL HONOR THE
15 LETTER OF CREDIT FOR SIX MONTHS AFTER EXPIRATION. PURSE MONEY
16 EARNED BY OWNERS SHALL BE DEPOSITED BY THE LICENSED CORPORATION
17 IN THE HORSEMEN'S ACCOUNT WITHIN 48 HOURS AFTER THE RESULT OF
18 THE RACE IN WHICH THE MONEY WAS EARNED HAS BEEN DECLARED
19 OFFICIAL AND THE PURSE HAS BEEN RELEASED BY THE COMMISSION.

20 (D) A LICENSED CORPORATION SHALL DESIGNATE A BOOKKEEPER WHO
21 IS AUTHORIZED TO RECEIVE AND DISBURSE FUNDS FROM THE HORSEMEN'S
22 ACCOUNT. THE BOOKKEEPER MUST BE BONDED TO PROVIDE INDEMNITY FOR
23 MALFEASANCE, NONFEASANCE AND MISFEASANCE. A CERTIFIED COPY OF
24 THE BOND SHALL BE FILED WITH THE COMMISSION.

25 (E) THE HORSEMEN'S ACCOUNT AND THE INVESTMENT AND DEPOSIT
26 SCHEDULES RELATING TO THE ACCOUNT ARE SUBJECT TO EXAMINATION, AT
27 REASONABLE TIMES, BY A DESIGNEE OF THE ORGANIZATION WHICH
28 REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING WITH THE
29 LICENSED CORPORATION AND BY THE COMMISSION. THE BOOKKEEPER SHALL
30 PROVIDE EACH OWNER WITH ACCESS, AT REASONABLE TIMES DURING A

1 RACING DAY, TO THE AMOUNT OF FUNDS IN THE HORSEMEN'S ACCOUNT
2 CREDITED TO THAT OWNER. AT THE CLOSE OF A RACE MEETING, THE
3 BOOKKEEPER SHALL MAIL TO EACH OWNER A RECORD OF DEPOSITS,
4 WITHDRAWALS AND TRANSFERS AFFECTING THE AMOUNT OF FUNDS IN THE
5 HORSEMEN'S ACCOUNT CREDITED TO THAT OWNER.

6 (F) THE HORSEMEN'S ACCOUNT SHALL BE AUDITED PERIODICALLY AS
7 DEEMED APPROPRIATE BY THE COMMISSION. THERE SHALL BE AT LEAST
8 ONE AUDIT PER YEAR. MONTHLY STATEMENTS SHALL BE PROVIDED TO THE
9 DESIGNEE OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
10 OWNERS AND TRAINERS RACING WITH THE LICENSED CORPORATION.

11 (G) FIFTY PERCENT OF THE MONEY EARNED AS INTEREST ON FUNDS
12 IN THE HORSEMEN'S ACCOUNT SHALL BE PAID TO THE ORGANIZATION
13 WHICH REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING
14 WITH THE LICENSED CORPORATION ON A WEEKLY BASIS. THIS AMOUNT
15 SHALL BE FOR THE BENEFIT OF THE HORSEMEN AS DETERMINED BY THE
16 ORGANIZATION WHICH REPRESENTS THE MAJORITY OF THE OWNERS AND
17 TRAINERS RACING WITH THE LICENSED CORPORATION. THE REMAINING 50%
18 OF THE INTEREST EARNED SHALL BE FOR THE BENEFIT OF THE LICENSED
19 CORPORATION WHICH SHALL HAVE THE RESPONSIBILITY TO FUND ALL
20 COSTS ASSOCIATED WITH THE ADMINISTRATION OF THE FUND. INTEREST
21 EACH MONTH MUST BE EARNED IN AN AMOUNT EQUAL TO THE FEDERAL
22 RESERVE DISCOUNT RATE ON THE FIRST DAY OF THE MONTH.

23 SECTION 236. HARNESS RACING PURSE MONEYS.

24 EACH LICENSED HARNESS HORSE RACING ASSOCIATION MUST PLACE ON
25 DEPOSIT WITH THE STATE HARNESS RACING COMMISSION BY MARCH 1 OF
26 EACH YEAR AN IRREVOCABLE LETTER OF CREDIT EQUIVALENT TO ITS
27 AVERAGE WEEKLY PURSE TOTAL FROM THE IMMEDIATE PRIOR YEAR. THE
28 COMMISSION SHALL HOLD THE LETTER OF CREDIT IN TRUST FOR THE
29 HARNESS HORSEMEN RACING AT THAT LICENSED CORPORATION IN THE
30 EVENT THAT PURSE CHECKS ARE NOT ISSUED OR THAT INSUFFICIENT

1 FUNDS ARE AVAILABLE TO COVER THE PURSE CHECKS.

2 SECTION 237. LIMITATIONS ON DAY AND NIGHT RACING.

3 (A) FOR THE PURPOSE OF THIS SECTION DAY RACING SHALL BE
4 RACING DAYS FOR WHICH THE STARTING TIME FOR THE FIRST RACE IS AT
5 OR BEFORE 2:00 P.M., AND NIGHT RACING SHALL BE RACING DAYS FOR
6 WHICH THE STARTING TIME FOR THE FIRST RACE IS AFTER 5:00 P.M.
7 DAY RACING MAY NOT BE CONDUCTED AT ANY RACING FACILITY AFTER
8 1985 ON ANY COMPARABLE TYPE RACING DAY OR HOLIDAY ON WHICH DAY
9 RACING WAS NOT CONDUCTED IN 1985 UNLESS ALL PRESENTLY OPERATING
10 LICENSED CORPORATIONS CONDUCTING DAY RACING AGREE, IN WRITING,
11 TO ALLOW SUCH DAY RACING ACTIVITIES.

12 (B) NIGHT RACING MAY NOT BE CONDUCTED AT ANY RACING FACILITY
13 AFTER 1985 ON ANY COMPARABLE TYPE RACING NIGHT OR HOLIDAY ON
14 WHICH NIGHT RACING WAS NOT CONDUCTED IN 1985 UNLESS ALL
15 PRESENTLY OPERATING RACING FACILITIES CONDUCTING NIGHT RACING
16 AGREE, IN WRITING, TO ALLOW NIGHT RACING ACTIVITIES.

17 (C) EACH APPROPRIATE COMMISSION SHALL HAVE THE AUTHORITY TO
18 GRANT EXCEPTIONS TO THIS SECTION UPON APPLICATION BY A LICENSED
19 RACING CORPORATION FOR NOT MORE THAN FIVE RACING DAYS PER
20 CALENDAR YEAR WITH RESPECT TO EACH LICENSED CORPORATION. THE
21 PROVISIONS OF THIS SECTION SHALL BE EFFECTIVE UNTIL JULY 1,
22 1991.]

23 SECTION 3. THE ACT IS AMENDED BY ADDING A CHAPTER TO READ:

24 CHAPTER 2-A

25 RACING OVERSIGHT

26 SECTION 201-A. BUREAU OF HORSE RACING.

27 (A) ESTABLISHMENT.--THE BUREAU OF HORSE RACING IS
28 ESTABLISHED WITHIN THE BOARD TO REGULATE THE OPERATIONS OF HORSE
29 RACING AND PARI-MUTUEL OPERATIONS.

30 (B) JURISDICTION.--THE BOARD SHALL HAVE JURISDICTION AND

1 REGULATORY AUTHORITY OVER THE FOLLOWING:

2 (1) PARI-MUTUEL WAGERING AND OTHER HORSE RACING
3 ACTIVITIES IN THIS COMMONWEALTH.

4 (2) A LICENSED CORPORATION ENGAGED IN PARI-MUTUEL HORSE
5 RACING ACTIVITIES.

6 (3) OUT-OF-COMPETITION DRUG TESTING, WHICH SHALL INCLUDE
7 THE RANDOM DRUG TESTING OF ALL HORSES ENTERED IN A RACE,
8 STABLED ON THE GROUNDS OR SHIPPED INTO A LICENSED
9 CORPORATION'S FACILITY.

10 (4) THE CONDUCT OF HORSE RACING IN THIS COMMONWEALTH.

11 (C) RECORDS.--THE BOARD SHALL MAINTAIN AT ITS OFFICE THE
12 FOLLOWING:

13 (1) ALL DOCUMENTS PROVIDED TO OR FILED WITH THE BOARD.
14 DOCUMENTS MAY BE DESIGNATED AS CONFIDENTIAL IN ACCORDANCE
15 WITH BOARD POLICY.

16 (2) A DOCKET SETTING FORTH THE NAMES OF ALL STOCKHOLDERS
17 IN A BUSINESS ENTITY, LICENSED UNDER THIS ACT. THE DOCKET
18 SHALL BE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL
19 BUSINESS HOURS OF THE BOARD.

20 (3) THE NUMBER OF SHARES HELD BY EACH STOCKHOLDER.

21 (4) A COMPLETE RECORD OF PROCEEDINGS OF THE BOARD
22 RELATING TO HORSE RACING AND PARI-MUTUEL WAGERING.

23 (D) RULES AND REGULATIONS.--THE FOLLOWING SHALL APPLY:

24 (1) ALL RULES AND REGULATIONS PROMULGATED UNDER THE
25 FORMER ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), REFERRED
26 TO AS THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW, OR THE
27 FORMER ACT OF DECEMBER 22, 1959 (P.L.1978, NO.728), REFERRED
28 TO AS THE PENNSYLVANIA HARNESS RACING LAW, SHALL REMAIN IN
29 EFFECT EXCEPT TO THE EXTENT THAT THEY ARE IN DIRECT CONFLICT
30 WITH THIS ACT. THE BOARD MAY ADOPT, AMEND, REVISE OR ALTER

1 THE RULES AND REGULATIONS AS THE BOARD DEEMS NECESSARY.

2 (2) THE BOARD SHALL PROMULGATE RULES AND REGULATIONS
3 NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS ACT.
4 EXCEPT AS PROVIDED IN PARAGRAPH (3), REGULATIONS SHALL BE
5 ADOPTED UNDER THE ACT OF JULY 31, 1968 (P.L.769, NO.240),
6 REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW, AND THE ACT OF
7 JUNE 25, 1982 (P.L.633, NO.181), KNOWN AS THE REGULATORY
8 REVIEW ACT.

9 (3) IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF
10 THIS ACT, REGULATIONS PROMULGATED BY THE BOARD SHALL BE
11 DEEMED TEMPORARY REGULATIONS WHICH SHALL NOT EXPIRE FOR A
12 PERIOD OF THREE YEARS FOLLOWING PUBLICATION. TEMPORARY
13 REGULATIONS SHALL NOT BE SUBJECT TO:

14 (I) SECTIONS 201, 202, 203, 204 AND 205 OF THE
15 COMMONWEALTH DOCUMENTS LAW.

16 (II) THE REGULATORY REVIEW ACT.

17 (III) SECTIONS 204(B) AND 301(10) OF THE ACT OF
18 OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE
19 COMMONWEALTH ATTORNEYS ACT.

20 (4) EXCEPT FOR TEMPORARY REGULATIONS GOVERNING
21 PROCEDURES FOR COLLECTING AND TESTING FOR ILLEGAL OR
22 PERFORMANCE ENHANCING SUBSTANCES AND PRACTICES IN HORSE
23 RACING, THE BOARD'S AUTHORITY TO PROMULGATE TEMPORARY
24 REGULATIONS UNDER PARAGRAPH (3) SHALL EXPIRE THREE YEARS
25 AFTER THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS ADOPTED
26 AFTER THIS PERIOD SHALL BE PROMULGATED AS PROVIDED BY LAW.

27 (E) LICENSES.--EACH LICENSE ISSUED PRIOR TO JANUARY 1, 2014,
28 SHALL REMAIN IN EFFECT FOR THE REMAINDER OF THE TERM FOR WHICH
29 THE LICENSE WAS ISSUED UNLESS REVOKED OR SUSPENDED. AFTER A
30 LICENSE HAS EXPIRED, A LICENSE RENEWAL OR NEW LICENSE SHALL BE

1 ISSUED UNDER THIS ACT. A LICENSE RENEWAL SHALL BE SUBJECT TO AND
2 MADE CONSISTENT WITH THE REQUIREMENTS OF 4 PA.C.S. § 1326
3 (RELATING TO LICENSE RENEWALS).

4 SECTION 202-A. ADDITIONAL POWERS.

5 THE BOARD SHALL REGULATE HORSE RACING AT WHICH PARI-MUTUEL
6 WAGERING IS CONDUCTED AND APPROVE THE NUMBER OF RACING DAYS
7 ALLOCATED BY EACH LICENSED BUSINESS ENTITY. IN ADDITION TO ANY
8 OTHER POWERS OF THE BOARD:

9 (1) THE BOARD SHALL PROMULGATE REGULATIONS REGARDING
10 MEDICATION RULES.

11 (2) THE BOARD SHALL REQUIRE APPLICANTS UNDER THIS ACT TO
12 SUBMIT TO FINGERPRINTING AND PHOTOGRAPHING BY THE
13 PENNSYLVANIA STATE POLICE OR BY A LOCAL LAW ENFORCEMENT
14 AGENCY CAPABLE OF SUBMITTING FINGERPRINTS AND PHOTOGRAPHS
15 ELECTRONICALLY TO THE PENNSYLVANIA STATE POLICE UTILIZING THE
16 INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM AND
17 THE COMMONWEALTH PHOTO IMAGING NETWORK OR IN A MANNER
18 PROVIDED BY THE PENNSYLVANIA STATE POLICE. THE PENNSYLVANIA
19 STATE POLICE SHALL SUBMIT FINGERPRINTS WHEN REQUESTED BY THE
20 BOARD TO THE FEDERAL BUREAU OF INVESTIGATION TO VERIFY THE
21 IDENTITY OF APPLICANTS AND TO OBTAIN CRIMINAL RECORDS.
22 FINGERPRINTS AND PHOTOGRAPHS OBTAINED UNDER THIS PARAGRAPH
23 MAY BE MAINTAINED BY THE BOARD AND THE PENNSYLVANIA STATE
24 POLICE TO ENFORCE THIS ACT AND FOR GENERAL LAW ENFORCEMENT
25 PURPOSES. IN ADDITION TO ANY OTHER FEE OR COST ASSESSED BY
26 THE BOARD, AN APPLICANT SHALL PAY FOR THE COST OF
27 FINGERPRINTING AND PHOTOGRAPHING.

28 (3) TWO YEARS FOLLOWING THE EFFECTIVE DATE OF THIS
29 SECTION, THE BOARD MAY ADOPT REGULATIONS TO ANNUALLY INCREASE
30 ANY FEE, CHARGE OR COST AUTHORIZED UNDER THIS ACT. THE

1 INCREASE MAY NOT EXCEED THE ANNUAL COST-OF-LIVING ADJUSTMENT
2 CALCULATED BY APPLYING THE PERCENTAGE CHANGE IN THE CONSUMER
3 PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE PENNSYLVANIA, NEW
4 JERSEY, DELAWARE AND MARYLAND AREA FOR THE MOST RECENT 12-
5 MONTH PERIOD FOR WHICH FIGURES HAVE BEEN OFFICIALLY REPORTED
6 BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR
7 STATISTICS, IMMEDIATELY PRIOR TO THE DATE THE ADJUSTMENT IS
8 DUE TO TAKE EFFECT. THIS PARAGRAPH SHALL NOT APPLY TO THE
9 COSTS OF DRUG TESTING UNDER SECTION 304.

10 SECTION 202.1-A. BUDGET.

11 THE BOARD SHALL ANNUALLY SUBMIT AN ITEMIZED PROPOSED BUDGET
12 TO THE OFFICE OF THE BUDGET AND THE CHAIRMAN OF THE
13 APPROPRIATIONS COMMITTEE OF THE SENATE AND THE CHAIRMAN OF THE
14 APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES
15 REQUESTING AMOUNTS TO BE APPROPRIATED TO ADMINISTER AND ENFORCE
16 THIS ACT.

17 SECTION 203-A. LICENSE.

18 AFTER JANUARY 1, 2015, A LICENSED BUSINESS ENTITY SHALL
19 CONDUCT A HORSE RACING MEETING AT THE LOCATION DESIGNATED AND
20 APPROVED BY THE BOARD UNDER 4 PA.C.S. §§ 1302 (RELATING TO
21 CATEGORY 1 SLOT MACHINE LICENSE) AND 1303 (RELATING TO
22 ADDITIONAL CATEGORY 1 SLOT MACHINE LICENSE REQUIREMENTS).

23 SECTION 204-A. (RESERVED).

24 SECTION 205-A. NUMBER OF HORSE RACING CORPORATIONS.

25 (A) HARNESS HORSE RACING.--NO MORE THAN FOUR BUSINESS
26 ENTITIES SHALL BE LICENSED TO CONDUCT A PARI-MUTUEL MEET. NO
27 BUSINESS ENTITY LICENSED UNDER THIS ACT TO CONDUCT HARNESS HORSE
28 RACING WITH PARI-MUTUEL WAGERING SHALL BE LICENSED TO CONDUCT
29 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING.

30 (B) THOROUGHBRED HORSE RACING.--NO MORE THAN THREE BUSINESS

1 ENTITIES SHALL BE LICENSED BY THE BOARD TO CONDUCT A PARI-MUTUEL
2 MEET. NO BUSINESS ENTITY LICENSED UNDER THIS ACT TO CONDUCT
3 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING SHALL BE
4 LICENSED TO CONDUCT HARNESS HORSE RACING WITH PARI-MUTUEL
5 WAGERING.

6 SECTION 206-A. DEPARTMENT OF REVENUE.

7 THE DEPARTMENT OF REVENUE SHALL PROVIDE FINANCIAL
8 ADMINISTRATION OF PARI-MUTUEL WAGERING UNDER THIS ACT IN
9 ACCORDANCE WITH DEPARTMENT OF REVENUE REGULATIONS AND
10 REGULATIONS OF THE BOARD. THE DEPARTMENT OF REVENUE SHALL
11 PRESCRIBE THE FORM AND SYSTEM OF ACCOUNTING TO BE USED BY
12 LICENSED BUSINESS ENTITIES, AND MAY ACCESS AND EXAMINE RECORDS,
13 EQUIPMENT AND OTHER INFORMATION RELATING TO PARI-MUTUEL
14 WAGERING.

15 SECTION 207-A. ALLOCATION OF RACING DAYS.

16 (A) GENERAL RULE.--RACING SHALL BE CONDUCTED CONSISTENT WITH
17 4 PA.C.S. § 1303 (RELATING TO ADDITIONAL CATEGORY 1 SLOT MACHINE
18 LICENSE REQUIREMENTS).

19 (B) CERTIFICATION.--THE BOARD SHALL SUBMIT TO THE SECRETARY
20 OF REVENUE THE APPROVED NUMBER OF RACING DAYS FOR EACH LICENSED
21 BUSINESS ENTITY, INCLUDING THE FOLLOWING INFORMATION:

22 (1) THE NAMES AND ADDRESSES OF THE LICENSED BUSINESS
23 ENTITIES;

24 (2) THE NAMES AND ADDRESSES OF THE OWNERS, OFFICERS AND
25 GENERAL MANAGERS OF THE LICENSED BUSINESS ENTITIES; AND

26 (3) ANY OTHER INFORMATION THE BOARD DEEMS APPROPRIATE.

27 (C) CANCELLATION.--IF A RACING DAY IS CANCELED BY A LICENSED
28 BUSINESS ENTITY FOR REASONS BEYOND THE LICENSED BUSINESS
29 ENTITY'S CONTROL, THE BOARD SHALL GRANT THE LICENSED BUSINESS
30 ENTITY THE RIGHT TO CONDUCT THAT RACING DAY IN THE SAME OR THE

1 NEXT ENSUING CALENDAR YEAR, IF SCHEDULES PERMIT.

2 SECTION 208-A. FEE FOR RACETRACK ADMISSIONS.

3 (A) GENERAL RULE.--

4 (1) EACH LICENSED BUSINESS ENTITY HOLDING A HORSE RACING
5 MEETING UNDER THIS ACT SHALL REMIT TO THE DEPARTMENT OF
6 REVENUE A FEE EQUAL TO 20¢ FOR EACH INDIVIDUAL WHO ATTENDED
7 THE HORSE RACING MEETING. THE AMOUNT COLLECTED SHALL BE
8 DEPOSITED INTO THE STATE RACING FUND.

9 (2) NOTHING UNDER THIS SECTION SHALL APPLY TO A HORSE
10 RACING MEETING CONDUCTED BY A STATE, COUNTY OR AGRICULTURAL
11 ASSOCIATION.

12 (B) INVESTIGATION.--THE DEPARTMENT OF REVENUE MAY EXAMINE
13 AND AUDIT BOOKS AND RECORDS OF THE LICENSED BUSINESS ENTITY
14 CONDUCTING A HORSE RACING MEETING AND MAY HEAR TESTIMONY AND
15 ACCEPT EVIDENCE OR OTHER DATA. THE DEPARTMENT OF REVENUE MAY
16 ORDER AN ACCOUNT FOR THE TAX DUE TO THE COMMONWEALTH TOGETHER
17 WITH THE EXPENSE OF THE EXAMINATION. A PENALTY OF 5% AND
18 INTEREST AT THE RATE OF 1% PER MONTH FROM THE DUE DATE TO THE
19 DATE OF PAYMENT OF THE TAX SHALL BE PAYABLE IF TAX IMPOSED UNDER
20 THIS SECTION IS NOT PAID WHEN DUE.

21 SECTION 209-A. LICENSES FOR HORSE RACING MEETINGS.

22 (A) PROCEDURE AND TERMS.--

23 (1) AFTER JANUARY 1, 2015, A BUSINESS ENTITY DESIRING TO
24 CONDUCT HORSE RACING MEETINGS FOR WHICH A CATEGORY 1 LICENSE
25 HAS BEEN ISSUED AND AT WHICH PARI-MUTUEL WAGERING IS
26 PERMITTED MAY APPLY TO THE BOARD FOR A LICENSE OR THE RENEWAL
27 OF AN EXISTING LICENSE.

28 (2) A LICENSED BUSINESS ENTITY SHALL HAVE THE PRIVILEGE
29 TO CONDUCT A HORSE RACING MEETING AT WHICH PARI-MUTUEL
30 WAGERING IS PERMITTED. A LICENSE TO CONDUCT A HORSE RACING

1 MEETING SHALL NOT BE A PROPERTY RIGHT.

2 (3) THE BOARD MAY REVOKE OR SUSPEND THE LICENSE OF A
3 LICENSED BUSINESS ENTITY IF THE BOARD FINDS THAT THE BUSINESS
4 ENTITY, ITS OWNERS, OFFICERS, MANAGERS OR AGENTS, HAS NOT
5 COMPLIED WITH THIS ACT AND REGULATIONS PROMULGATED IN
6 ACCORDANCE WITH THIS ACT.

7 (4) A LICENSED BUSINESS ENTITY MAY NOT TRANSFER A
8 LICENSE WITHOUT THE APPROVAL OF THE BOARD.

9 (B) CONDITIONS.--EACH HORSE RACING LICENSE SHALL BE ISSUED
10 UPON THE FOLLOWING CONDITIONS:

11 (1) A HORSE RACING MEETING AT WHICH PARI-MUTUEL WAGERING
12 IS CONDUCTED SHALL BE SUPERVISED BY THE BOARD.

13 (2) THE CONDUCT OF PARI-MUTUEL WAGERING SHALL ALSO BE
14 SUPERVISED AND SUBJECT TO THE DEPARTMENT OF REVENUE AND
15 REGULATIONS OF THE DEPARTMENT.

16 (3) THE BUSINESS ENTITY POSTS A BOND OR IRREVOCABLE
17 LETTER OF CREDIT PAYABLE TO THE BOARD IN AN AMOUNT EQUAL TO
18 THE SUM OF THE BUSINESS ENTITY'S AVERAGE WEEKLY PAYMENT OF
19 THE PARI-MUTUEL TAX, DURING ACTIVE RACING, INTO THE STATE
20 RACING FUND, BASED ON REVENUES GENERATED IN THE PREVIOUS
21 YEAR.

22 (4) THE LICENSED BUSINESS ENTITY PRINTS IN ITS RACING
23 PROGRAMS THE PROCEDURE FOR FILING A COMPLAINT WITH THE BOARD.

24 (C) APPLICATIONS.--APPLICATIONS FOR A LICENSED BUSINESS
25 ENTITY SHALL BE IN THE FORM PRESCRIBED BY THE BOARD AND SHALL
26 CONTAIN INFORMATION AS THE BOARD MAY REQUIRE.

27 (D) GROUNDS FOR DENIAL, REVOCATION OR SUSPENSION.--THE BOARD
28 MAY DENY, REVOKE OR SUSPEND THE LICENSE OF A BUSINESS ENTITY, IF
29 IT DETERMINES THAT:

30 (1) ANY OWNER, OFFICER, DIRECTOR OR MANAGER OF THE

1 BUSINESS ENTITY APPLYING FOR A LICENSE OR OF ANY BUSINESS
2 ENTITY WHICH PARTICIPATES IN THE MANAGEMENT OF THE AFFAIRS OF
3 THE APPLICANT, OR WHICH LEASES TO THE LICENSED BUSINESS
4 ENTITY THE TRACK WHERE IT SHALL OPERATE:

5 (I) HAS BEEN CONVICTED OF BOOKMAKING OR OTHER FORMS
6 OF ILLEGAL GAMBLING;

7 (II) HAS BEEN CONVICTED OF ANY FRAUD OR
8 MISREPRESENTATION IN CONNECTION WITH RACING OR BREEDING;

9 (III) HAS BEEN CONVICTED OF ANY VIOLATION OR ATTEMPT
10 TO VIOLATE ANY LAW, RULE OR REGULATION OF ANY HORSE
11 RACING JURISDICTION, FOR WHICH SUSPENSION FROM HORSE
12 RACING MIGHT BE IMPOSED IN THAT JURISDICTION;

13 (IV) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
14 THE BOARD; OR

15 (V) HAS BEEN CONVICTED OF A FELONY.

16 (2) THE EXPERIENCE, CHARACTER OR FITNESS OF ANY OWNER,
17 OFFICER, DIRECTOR OR MANAGER OF THE LICENSED BUSINESS ENTITY
18 IS SUCH THAT THE PARTICIPATION OF THE PERSON IN HORSE RACING
19 OR RELATED ACTIVITIES WOULD BE INCONSISTENT WITH THE PUBLIC
20 INTEREST OR WITH THE BEST INTERESTS OF HORSE RACING.

21 (3) THE LICENSED BUSINESS ENTITY DOES NOT HAVE USE OF
22 THE RACETRACK OR RACETRACK ENCLOSURE IN ACCORDANCE WITH THE
23 REQUIREMENTS OF 4 PA.C.S. PT. II (RELATING TO GAMING).

24 (4) A LICENSED BUSINESS ENTITY HAS COMMINGLED HORSEMEN'S
25 FUNDS IN VIOLATION OF SECTION 235-A(C) OR HAS REFUSED TO
26 PLACE ON DEPOSIT A LETTER OF CREDIT UNDER SECTION 236-A.

27 (5) THE BOARD DETERMINES THAT THE LICENSED BUSINESS
28 ENTITY HAS FAILED TO PROPERLY MAINTAIN ITS RACETRACK AND
29 RACETRACK ENCLOSURE IN GOOD CONDITION OR TO PROVIDE ADEQUATE
30 CAPITAL IMPROVEMENTS TO THE RACETRACK AND RACETRACK ENCLOSURE

1 AS REQUIRED UNDER THIS ACT AND 4 PA.C.S. § 1404 (RELATING TO
2 DISTRIBUTIONS FROM LICENSEE'S REVENUE RECEIPTS).

3 (E) CONDITIONAL LICENSES.--PENDING A FINAL DETERMINATION
4 UNDER THIS SECTION, THE BOARD MAY ISSUE A CONDITIONAL LICENSE
5 UPON SUCH TERMS AND CONDITIONS AS ARE NECESSARY TO EFFECTUATE
6 THE PROVISIONS OF THIS ACT.

7 SECTION 210-A. (RESERVED).

8 SECTION 211-A. FINANCIAL AND EMPLOYMENT INTERESTS.

9 (A) GENERAL RULE.--A BUSINESS ENTITY APPLYING FOR A LICENSE
10 OR A LICENSED BUSINESS ENTITY SHALL COMPLY WITH THE PROVISIONS
11 OF 4 PA.C.S. §§ 1512 (RELATING TO FINANCIAL AND EMPLOYMENT
12 INTERESTS), 1512.1 (RELATING TO ADDITIONAL RESTRICTIONS) AND
13 1513 (RELATING TO POLITICAL INFLUENCE).

14 (B) GIFTS.--NO OWNER, OFFICER, MANAGER OR EMPLOYEE OF AN
15 APPLICANT OR LICENSED BUSINESS ENTITY OR THEIR SPOUSES, PARENTS,
16 FATHERS-IN-LAW, MOTHERS-IN-LAW, SIBLINGS, CHILDREN, SONS-IN-LAW
17 OR DAUGHTERS-IN-LAW SHALL ACCEPT GIFTS FROM BREEDERS, OWNERS,
18 TRAINERS OR OTHER INDIVIDUALS WHO PARTICIPATE IN THE CONDUCT OF
19 HORSE RACING IN THIS COMMONWEALTH.

20 SECTION 212-A. OFFICIALS AT HORSE RACING MEETINGS.

21 ALL QUALIFIED JUDGES AND STARTERS SHALL BE APPROVED BY THE
22 BOARD. FOR HARNESS HORSE RACING MEETINGS, NO PERSON SHALL BE
23 APPROVED AS A JUDGE OR STARTER UNLESS THE PERSON IS LICENSED BY
24 THE UNITED STATES TROTTING ASSOCIATION AS A DULY QUALIFIED PARI-
25 MUTUEL RACING MEETING OFFICIAL. ALL OFFICIALS SHALL ENFORCE THE
26 LAW AND SHALL PROVIDE WRITTEN REPORTS OF THE ACTIVITIES AND
27 CONDUCT OF HORSE RACING MEETINGS TO THE BOARD. THE COMPENSATION
28 OF THESE JUDGES AND STARTERS SHALL BE ASSESSED TO THE LICENSED
29 BUSINESS ENTITY.

30 SECTION 213-A. LICENSES FOR INDIVIDUALS.

1 (A) GENERAL RULE.--THE BOARD SHALL ISSUE LICENSES TO
2 TRAINERS, JOCKEYS, DRIVERS, HORSE OWNERS AND OTHER INDIVIDUALS
3 PARTICIPATING IN HORSE RACING AND ALL OTHER PERSONS REQUIRED TO
4 BE LICENSED AS DETERMINED BY THE BOARD. THE LICENSE SHALL NOT BE
5 A PROPERTY RIGHT.

6 (B) FEE.--THE BOARD SHALL FIX AND MAY ESTABLISH CLASSES FOR
7 LICENSE FEES TO BE PAID BY PERSONS OR LICENSED BUSINESS
8 ENTITIES. AN OCCUPATIONAL LICENSE FEE SHALL NOT EXCEED \$1,000.
9 ALL FEES SHALL BE PAID TO THE BOARD AND DEPOSITED INTO THE STATE
10 RACING FUND.

11 (C) APPLICATION.--THE APPLICATION SHALL BE IN THE FORM AND
12 CONTAIN THE INFORMATION AS THE BOARD MAY REQUIRE.

13 (D) DURATION.--ALL LICENSES SHALL BE ISSUED FOR THREE YEARS
14 AND SHALL BE RENEWED, UPON PAYMENT OF THE REQUIRED FEE AND
15 CONTINUED COMPLIANCE WITH THIS ACT.

16 (E) CONDITIONAL LICENSE.--THE BOARD MAY ESTABLISH A
17 CONDITIONAL LICENSE FEE VALID FOR FOUR MONTHS WITHIN A 12-MONTH
18 PERIOD. NO APPLICANT MAY RECEIVE MORE THAN ONE CONDITIONAL
19 LICENSE WITHIN 12 MONTHS OF THE ISSUANCE OF THE APPLICANT'S
20 PRECEDING CONDITIONAL LICENSE.

21 (F) PROCESSING AND ISSUANCE.--THE BOARD SHALL ADOPT
22 REGULATIONS TO FIX THE MANNER BY WHICH LICENSES ARE PROCESSED
23 AND ISSUED.

24 (G) DENIAL.--THE BOARD MAY DENY A LICENSE UNDER THIS
25 SECTION, IF IT DETERMINES THAT THE APPLICANT:

26 (1) HAS BEEN CONVICTED OF BOOKMAKING OR OTHER FORMS OF
27 ILLEGAL GAMBLING.

28 (2) HAS BEEN CONVICTED OF ANY FRAUD OR MISREPRESENTATION
29 IN CONNECTION WITH RACING OR BREEDING.

30 (3) HAS BEEN CONVICTED OF ANY VIOLATION OR ATTEMPT TO

1 VIOLATE ANY LAW, RULE OR REGULATION OF RACING IN ANY
2 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
3 IMPOSED IN THAT JURISDICTION.

4 (4) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF THE
5 BOARD.

6 (5) HAS BEEN CONVICTED OF AN OFFENSE RELATING TO FIXING
7 RACES.

8 (6) HAS BEEN CONVICTED OF A FELONY OFFENSE.

9 (7) HAS FAILED TO COMPLY WITH PAYMENT REQUIREMENTS UNDER
10 SECTION 304 RELATING TO TESTING FOR MEDICATION.

11 (H) INSPECTION.--THE BOARD SHALL HAVE THE RIGHT TO INSPECT
12 ALL CONTRACTS BETWEEN LICENSED BUSINESS ENTITIES AND VENDORS FOR
13 GOODS AND SERVICES. THE BOARD SHALL ADOPT REGULATIONS TO REQUIRE
14 VENDORS TO DISCLOSE ALL PRINCIPAL OWNERS AND OFFICERS AND A
15 DESCRIPTION OF THEIR INTERESTS IN THE VENDORS' BUSINESS. FAILURE
16 TO DISCLOSE THIS INFORMATION SHALL CONSTITUTE GROUNDS TO DENY,
17 TO REVOKE OR TO SUSPEND ANY VENDOR'S LICENSE ISSUED UNDER THIS
18 ACT.

19 (I) SUSPENSION, REVOCATION AND REFUSAL TO RENEW.--THE BOARD
20 MAY SUSPEND, REFUSE TO RENEW OR REVOKE A LICENSE ISSUED UNDER
21 THIS SECTION, IF:

22 (1) THE APPLICANT OR LICENSEE:

23 (I) HAS BEEN CONVICTED OF BOOKMAKING OR OTHER FORM
24 OF ILLEGAL GAMBLING;

25 (II) HAS BEEN CONVICTED OF ANY FRAUD IN CONNECTION
26 WITH RACING OR BREEDING;

27 (III) HAS BEEN CONVICTED OF ANY VIOLATION OR ATTEMPT
28 TO VIOLATE ANY LAW, RULE OR REGULATION OF ANY HORSE
29 RACING JURISDICTION FOR WHICH SUSPENSION FROM HORSE
30 RACING MIGHT BE IMPOSED IN THAT JURISDICTION;

1 (IV) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
2 THE BOARD;

3 (V) HAS BEEN CONVICTED OF A FELONY OFFENSE; OR

4 (VI) HAS FAILED TO COMPLY WITH PAYMENT REQUIREMENTS
5 UNDER SECTION 304.

6 (2) THE EXPERIENCE OR CHARACTER OF ANY APPLICANT OR
7 LICENSEE IS SUCH THAT THE PARTICIPATION OF THE PERSON IN
8 HORSE RACING OR RELATED ACTIVITIES WOULD BE INCONSISTENT WITH
9 THE PUBLIC INTEREST OR WITH THE BEST INTERESTS OF HORSE
10 RACING.

11 (3) THE APPLICANT OR LICENSEE HAS BEEN CONVICTED OF AN
12 OFFENSE RELATED TO FIXING RACES UNLESS THE CONVICTION HAS
13 BEEN OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION
14 OF THE ORIGINAL FINDING.

15 (J) TEMPORARY LICENSE.--PENDING A FINAL DETERMINATION UNDER
16 THIS SECTION, THE BOARD MAY ISSUE A TEMPORARY LICENSE UPON SUCH
17 TERMS AND CONDITIONS AS ARE NECESSARY TO EFFECTUATE THE
18 PROVISIONS OF THIS ACT.

19 (K) HEARINGS.--THE BOARD MAY SUSPEND A LICENSE UNDER
20 SUBSECTION (I) PENDING A HEARING ON THE MATTER. THE HEARING MUST
21 TAKE PLACE WITHIN TEN DAYS OF THE SUSPENSION.

22 (L) RECIPROCITY.--THE BOARD SHALL NOT GRANT LICENSES TO
23 CITIZENS OF STATES THAT PROHIBIT THE GRANT OF LICENSES TO
24 CITIZENS OF THIS COMMONWEALTH ON THE BASIS OF IN-STATE
25 PREFERENCE.

26 SECTION 213.1-A. TOTALISATOR.

27 THE FOLLOWING SHALL APPLY:

28 (1) A PERSON THAT PROVIDES TOTALISATOR SERVICES TO A
29 RACING ASSOCIATION LOCATED IN THIS COMMONWEALTH, INCLUDING A
30 TOTALISATOR COMPANY LOCATED IN THIS COMMONWEALTH OR OPERATING

1 FROM A LOCATION OUTSIDE THIS COMMONWEALTH. A PROVIDER OF
2 TOTALISATOR SERVICES SHALL BE LICENSED BY THE BOARD AND REMIT
3 AN ANNUAL LICENSE FEE NOT TO EXCEED \$100,000. THE LICENSE FEE
4 SHALL BE DEPOSITED IN THE STATE RACING FUND. THE PROVIDER
5 SHALL SUBMIT INFORMATION ON OPERATING SYSTEMS AND PROCEDURES
6 AS REQUIRED BY THE BOARD.

7 (2) A MANUFACTURER, WHOLESALER, DISTRIBUTOR OR VENDOR OF
8 ANY EQUINE DRUG, MEDICATION, THERAPEUTIC SUBSTANCE OR
9 METABOLIC DERIVATIVE PURCHASED BY OR DELIVERED TO A LICENSEE
10 OR OTHER INDIVIDUAL PARTICIPATING IN HORSE RACING IN THIS
11 COMMONWEALTH BY MEANS OF INTERNET, MAIL DELIVERY, IN PERSON
12 DELIVERY OR OTHER MEANS.

13 SECTION 214-A. POWER OF BOARD TO IMPOSE FINES.

14 (A) GENERAL RULE.--THE BOARD MAY IMPOSE ADMINISTRATIVE FINES
15 UPON ANY LICENSED OR UNLICENSED BUSINESS ENTITY, ASSOCIATION OR
16 PERSON PARTICIPATING IN HORSE RACING AT WHICH PARI-MUTUEL
17 WAGERING IS CONDUCTED, OTHER THAN AS A PATRON, FOR A VIOLATION
18 OF ANY PROVISION OF THIS ACT, NOT EXCEEDING \$100,000 FOR EACH
19 VIOLATION. FINES SHALL BE DEPOSITED IN THE STATE RACING FUND AND
20 MAY BE APPROPRIATED FOR THE ENFORCEMENT OF THIS ACT.

21 (B) INTERESTS.--

22 (1) NO OWNER, OFFICER OR EMPLOYEE OF A LICENSED BUSINESS
23 ENTITY OR THEIR SPOUSES, PARENTS, FATHERS-IN-LAW, MOTHERS-IN-
24 LAW, SIBLINGS, CHILDREN, SONS-IN-LAW OR DAUGHTERS-IN-LAW
25 SHALL HAVE ANY DIRECT OR INDIRECT INTEREST IN A RACE HORSE
26 THAT IS PARTICIPATING IN A RACE AT A MEET AT WHICH THE PERSON
27 OR RELATIVE LISTED UNDER THIS PARAGRAPH HOLDS ANY INTEREST IN
28 THE LICENSED BUSINESS ENTITY CONDUCTING THE MEET OR IN THE
29 TRACK FACILITY.

30 (2) THE BOARD SHALL IMPOSE A FINE UPON ANY PERSON FOR A

1 VIOLATION OF THIS SUBSECTION IN ACCORDANCE WITH SUBSECTION
2 (A).

3 SECTION 215-A. SECURITY PERSONNEL.

4 (A) GENERAL RULE.--THE BOARD SHALL REQUIRE LICENSED BUSINESS
5 ENTITIES TO EMPLOY PERSONS AS SECURITY PERSONNEL. DESIGNATED
6 SECURITY PERSONNEL MAY INTERROGATE AND EJECT FROM THE RACETRACK
7 OR ENCLOSURE ANY INDIVIDUAL SUSPECTED OF VIOLATING THIS ACT.

8 (B) PENALTY.--AN INDIVIDUAL FOUND WITHIN A RACE TRACK
9 ENCLOSURE AFTER HAVING BEEN REFUSED ADMISSION THERETO OR EJECTED
10 THEREFROM SHALL, UPON CONVICTION, BE GUILTY OF A SUMMARY OFFENSE
11 AND BE SENTENCED TO PAY A FINE OF NOT MORE THAN \$500.

12 SECTION 216-A. INTERSTATE SIMULCASTING.

13 THE BOARD MAY APPROVE THE APPLICATION OF A LICENSED BUSINESS
14 ENTITY TO ELECTRONICALLY TELEWISE SIMULCASTS OF HORSE RACES TO
15 BE OPERATED BY THE LICENSED BUSINESS ENTITY AT THE RACE TRACK
16 ENCLOSURE WHERE A HORSE RACE IS BEING CONDUCTED DURING, BETWEEN,
17 BEFORE OR AFTER POSTED RACES FOR THAT RACING DAY. EACH SIMULCAST
18 OF HORSE RACES FROM OUTSIDE THIS COMMONWEALTH SHALL COMPLY WITH
19 THE INTERSTATE HORSERACING ACT OF 1978 (PUBLIC LAW 95-515, 15
20 U.S.C. § 3001 ET SEQ.). ALL FORMS OF PARI-MUTUEL WAGERING UNDER
21 SECTION 221-A SHALL BE ALLOWED ON HORSE RACES TO BE TELEVISED BY
22 SIMULCASTING. THE BOARD SHALL PROMULGATE REGULATIONS REGARDING
23 THE WAGERING AND THE OPERATION OF THE HORSE RACES. ALL MONEY
24 WAGERED ON HORSE RACES SHALL BE COMPUTED IN THE AMOUNT OF MONEY
25 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
26 222-A.

27 SECTION 216.1-A. TELEVISED SIMULCASTINGS.

28 (A) HOST LICENSEES.--UPON REQUEST BY A LICENSED BUSINESS
29 ENTITY, THE BOARD MAY DESIGNATE THE ENTITY AS A HOST LICENSEE,
30 AUTHORIZED TO MAINTAIN COMMON PARI-MUTUEL POOLS ON INTERNATIONAL

1 AND INTERSTATE RACES TRANSMITTED TO AND FROM THE RACETRACK
2 ENCLOSURES WITHIN THIS COMMONWEALTH. ALL SIMULCASTS OF HORSE
3 RACES SHALL COMPLY WITH THE PROVISIONS OF THE INTERSTATE
4 HORSERACING ACT OF 1978 (PUBLIC LAW 95-515, 15 U.S.C. § 3001 ET
5 SEQ.) AND THE LAWS OF EACH STATE INVOLVED, PLACED OR TRANSMITTED
6 BY AN INDIVIDUAL IN ONE STATE VIA TELEPHONE, INTERNET OR OTHER
7 ELECTRONIC MEDIA AND ACCEPTED AND MAINTAINED IN COMMON PARI-
8 MUTUEL POOLS. THE DESIGNATION AS A HOST LICENSEE FOR
9 INTERNATIONAL AND INTERSTATE SIMULCAST RACES SHALL BE LIMITED TO
10 LICENSED BUSINESS ENTITIES WHICH COMPLY WITH 4 PA.C.S. § 1303(D)
11 (RELATING TO ADDITIONAL CATEGORY 1 SLOT MACHINE LICENSE
12 REQUIREMENTS).

13 (B) SIMULCASTS.--THE FOLLOWING APPLY:

14 (1) CROSS SIMULCASTING OF THE RACES DESCRIBED IN
15 SUBSECTION (A) SHALL BE PERMITTED IF ALL AMOUNTS WAGERED ON
16 THE RACES IN THIS COMMONWEALTH ARE INCLUDED IN COMMON PARI-
17 MUTUEL POOLS. A HOST LICENSEE SEEKING PERMISSION TO CROSS
18 SIMULCAST MUST OBTAIN APPROVAL FROM THE BOARD.

19 (2) FORMS OF PARI-MUTUEL WAGERING SHALL BE ALLOWED ON
20 HORSE RACES TO BE TELEVISED BY SIMULCASTING. THE BOARD MAY
21 PERMIT PARI-MUTUEL POOLS IN THIS COMMONWEALTH TO BE COMBINED
22 WITH PARI-MUTUEL POOLS CREATED UNDER THE LAWS OF ANOTHER
23 JURISDICTION AND MAY PERMIT PARI-MUTUEL POOLS CREATED UNDER
24 THE LAWS OF ANOTHER JURISDICTION TO BE COMBINED WITH PARI-
25 MUTUEL POOLS IN THIS COMMONWEALTH. THE BOARD SHALL PROMULGATE
26 REGULATIONS NECESSARY TO REGULATE WAGERING ON TELEVISED
27 SIMULCASTS.

28 (C) TAXATION.--MONEY WAGERED BY PATRONS IN THIS COMMONWEALTH
29 ON THE HORSE RACES SHALL BE COMPUTED BY THE AMOUNT OF MONEY
30 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION

1 222-A. THOROUGHBRED RACES SHALL BE CONSIDERED A PART OF A
2 THOROUGHBRED HORSE RACING MEETING AND HARNESS HORSE RACES SHALL
3 BE CONSIDERED A PART OF A HARNESS HORSE RACING MEETING.

4 SECTION 217-A. (RESERVED).

5 SECTION 218.1-A. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL
6 WAGERING.

7 (A) WAGERING LOCATION.--A LICENSED BUSINESS ENTITY SHALL
8 PROVIDE A LOCATION DURING A HORSE RACING MEETING WITHIN THE
9 RACETRACK ENCLOSURE WHERE THE LICENSED BUSINESS ENTITY SHALL
10 OPERATE THE PARI-MUTUEL SYSTEM OF WAGERING BY ITS PATRONS ON THE
11 RESULTS OF HORSE RACES HELD AT THE RACETRACK OR TELEVISED TO THE
12 RACETRACK ENCLOSURE BY SIMULCASTING UNDER SECTION 216.1-A. THE
13 LICENSED BUSINESS ENTITY SHALL ERECT A SIGN OR BOARD COMPATIBLE
14 WITH THE TOTALISATOR SYSTEMS WHICH SHALL DISPLAY ALL OF THE
15 FOLLOWING:

16 (1) THE APPROXIMATE STRAIGHT ODDS ON EACH HORSE IN ANY
17 RACE.

18 (2) THE VALUE OF A WINNING MUTUEL TICKET, STRAIGHT,
19 PLACE OR SHOW ON THE FIRST THREE HORSES IN THE RACE.

20 (3) THE ELAPSED TIME OF THE RACE.

21 (4) THE VALUE OF A WINNING DAILY DOUBLE TICKET, IF A
22 DAILY DOUBLE IS CONDUCTED, AND ANY OTHER INFORMATION THAT THE
23 BOARD DEEMS NECESSARY TO INFORM THE GENERAL PUBLIC.

24 (B) EQUIPMENT.--THE BOARD MAY TEST AND EXAMINE THE EQUIPMENT
25 TO BE USED FOR THE DISPLAY OF THE INFORMATION UNDER SUBSECTION
26 (A).

27 SECTION 218.2-A. PARI-MUTUEL WAGERING AT NONPRIMARY LOCATIONS.

28 (A) NONPRIMARY LOCATIONS.--THE FOLLOWING SHALL APPLY:

29 (1) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS ACT,
30 BEGINNING JANUARY 2014, THE BOARD MAY APPROVE A LICENSED

1 BUSINESS ENTITY TO CONTINUE TO OPERATE A NONPRIMARY LOCATION
2 WHERE IT HAS CONDUCTED PARI-MUTUEL WAGERING ON HORSE RACES
3 CONDUCTED BY THE LICENSED BUSINESS ENTITY. THE LICENSED
4 BUSINESS ENTITY MAY CONTINUE TO CONDUCT PARI-MUTUEL WAGERING
5 AT THE LOCATION ON HORSE RACES CONDUCTED BY ANOTHER LICENSED
6 BUSINESS ENTITY, WHICH HORSE RACES MAY BE TELEVISED TO THE
7 LOCATION OR ON HORSE RACES SIMULCAST TO THE LOCATION UNDER
8 SECTION 216-A, PROVIDED THAT:

9 (I) A LICENSED BUSINESS ENTITY HAS NOT ESTABLISHED A
10 NONPRIMARY LOCATION WITHIN THE PRIMARY MARKET AREA OF ANY
11 RACETRACK OTHER THAN A RACETRACK WHERE THE LICENSED
12 BUSINESS ENTITY CONDUCTS RACING MEETINGS. ESTABLISHMENT
13 OF A NONPRIMARY LOCATION BY A LICENSED BUSINESS ENTITY
14 WITHIN THE PRIMARY MARKET AREA OF A RACETRACK WHERE THE
15 LICENSED BUSINESS ENTITY CONDUCTS RACING MEETINGS SHALL
16 REQUIRE APPROVAL OF THE BOARD.

17 (II) A LICENSED BUSINESS ENTITY HAS NOT ESTABLISHED
18 A NONPRIMARY LOCATION WITHIN THE SECONDARY MARKET AREA OF
19 A RACETRACK IF THE NONPRIMARY LOCATION IS APPROVED BY THE
20 BOARD.

21 (III) A LICENSED BUSINESS ENTITY HAS NOT ESTABLISHED
22 A NONPRIMARY LOCATION IN AN AREA OUTSIDE THE PRIMARY AND
23 SECONDARY MARKET AREAS OF ANY RACETRACK IF THE LOCATION
24 IS APPROVED BY THE BOARD.

25 (2) EXCEPT AS PROVIDED UNDER PARAGRAPH (1), NO
26 ADDITIONAL LICENSES SHALL BE PERMITTED.

27 (3) THE BOARD SHALL ANNUALLY CONDUCT INSPECTIONS OF THE
28 PRIMARY FACILITY.

29 (4) THE RIGHTS, DUTIES AND OBLIGATIONS OF THE BOARD
30 SHALL APPLY TO NONPRIMARY LOCATIONS AND ANY EMPLOYEES OR

1 VENDORS OF THE LICENSED BUSINESS ENTITY ESTABLISHING THE
2 NONPRIMARY LOCATION.

3 (B) (RESERVED).

4 (C) TAXATION AND RECORDS.--MONEY WAGERED AT ALL PRIMARY AND
5 NONPRIMARY LOCATIONS UNDER THIS ACT SHALL BE INCLUDED IN COMMON
6 PARI-MUTUEL POOLS. MONEY WAGERED BY PATRONS ON THE RACES SHALL
7 BE COMPUTED BY THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
8 PURPOSES OF TAXATION UNDER SECTION 222-A. THE LICENSED BUSINESS
9 ENTITY CONDUCTING THE RACING MEETING AND MAINTAINING THE PARI-
10 MUTUEL POOLS SHALL MAINTAIN ACCURATE RECORDS OF THE AMOUNT
11 WAGERED IN EACH POOL FROM EVERY PRIMARY AND NONPRIMARY LOCATION.

12 (D) RETENTION.--MONEY RETAINED UNDER SECTION 222-A(E) SHALL
13 BE CALCULATED FOR EACH LOCATION WHERE PARI-MUTUEL WAGERING IS
14 BEING CONDUCTED. IF WAGERING HAS TAKEN PLACE AT A NONPRIMARY
15 LOCATION WHERE THE WAGERING IS CONDUCTED BY A LICENSED BUSINESS
16 ENTITY OTHER THAN THE LICENSED BUSINESS ENTITY CONDUCTING THE
17 RACING MEETING, THE LICENSED BUSINESS ENTITY CONDUCTING THE
18 RACING MEETING SHALL RETAIN ANY MONEY TO WHICH IT IS ENTITLED BY
19 AGREEMENT. THE LICENSED BUSINESS ENTITY CONDUCTING THE MEETING
20 SHALL PAY OVER THE BALANCE OF THE RETAINED MONEY TO THE LICENSED
21 BUSINESS ENTITY CONDUCTING THE WAGERING AT THE NONPRIMARY
22 LOCATION.

23 (E) PAYMENT OF PURSES.--A LICENSED BUSINESS ENTITY
24 CONDUCTING A RACING MEETING WHERE PARI-MUTUEL WAGERING IS
25 CONDUCTED AT ONE OR MORE NONPRIMARY LOCATIONS SHALL DISTRIBUTE
26 MONEY TO THE HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF
27 OWNERS AND TRAINERS AT ITS RACETRACK, OR IN ACCORDANCE WITH THE
28 PRACTICE OF THE PARTIES, TO BE USED FOR PAYMENT OF PURSES AT
29 THAT RACETRACK, AS FOLLOWS:

30 (1) EXCEPT AS PROVIDED FOR IN PARAGRAPHS (2), (3), (4)

1 AND (5), AN AMOUNT EQUAL TO BUT NOT LESS THAN 6% OF THE DAILY
2 GROSS WAGERING HANDLE ON THE RACES AT A NONPRIMARY LOCATION.

3 (2) WHEN THE GROSS WAGERING HANDLE ON THE RACES AT A
4 NONPRIMARY LOCATION ON A GIVEN DAY IS LESS THAN \$30,000, THE
5 PERCENTAGE MAY NOT BE LESS THAN 3%.

6 (3) WHEN THE GROSS WAGERING HANDLE ON THE RACES AT A
7 NONPRIMARY LOCATION ON A GIVEN DAY IS BETWEEN \$30,000 AND
8 \$75,000 INCLUSIVE, THE PERCENTAGE MAY NOT BE LESS THAN 4.75%.

9 (4) WHENEVER A NONPRIMARY LOCATION IS WITHIN THE PRIMARY
10 MARKET AREA OF A LICENSED BUSINESS ENTITY OTHER THAN THE
11 LICENSED BUSINESS ENTITY CONDUCTING THE RACES, THE APPLICABLE
12 PERCENTAGE SHALL BE DISTRIBUTED ONE-HALF TO THE HORSEMAN'S
13 ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND TRAINERS
14 AT THE RACETRACK OR IN ACCORDANCE WITH THE PRACTICE OF THE
15 PARTIES.

16 (5) WHERE THE RACING MEETING IS BEING CONDUCTED TO BE
17 USED FOR THE PAYMENT OF PURSES AT THE RACETRACK AND ONE-HALF
18 TO THE HORSEMAN'S ORGANIZATION, OR IN ACCORDANCE WITH THE
19 PRACTICE OF THE PARTIES, AT THE RACETRACK WITHIN THE PRIMARY
20 MARKET AREA TO BE USED FOR THE PAYMENT OF PURSES AT THE
21 RACETRACK.

22 NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO PREVENT A
23 LICENSED BUSINESS ENTITY FROM AGREEING TO DISTRIBUTE AMOUNTS
24 GREATER THAN THE PERCENTAGES SET FORTH IN THIS SUBSECTION.
25 HOWEVER, IF NO ALTERNATIVE AGREEMENT HAS BEEN REACHED, THE TOTAL
26 PERCENTAGE FOR PURSES UNDER THIS SUBSECTION SHALL BE PAID IN
27 ACCORDANCE WITH THE MINIMUM PERCENTAGES SET FORTH IN THIS
28 SUBPARAGRAPH.

29 (F) OTHER PAYMENTS.--NOTWITHSTANDING ANY OTHER PROVISION OF
30 THIS ACT, A NONPRIMARY LOCATION MAY BE ESTABLISHED WITHIN THE

1 PRIMARY MARKET AREA OF A RACETRACK BY AGREEMENT BETWEEN THE
2 LICENSED BUSINESS ENTITY AND THE HORSEMAN'S ORGANIZATION
3 REPRESENTING A MAJORITY OF THE OWNERS AND TRAINERS AT THE
4 RACETRACK SPECIFYING THE TOTAL PERCENTAGE OF HANDLE WAGERED AT
5 THE NONPRIMARY LOCATION TO BE DISTRIBUTED TO THE HORSEMAN'S
6 ORGANIZATION, OR IN ACCORDANCE WITH THE PRACTICE OF THE PARTIES,
7 TO BE USED FOR THE PAYMENT OF PURSES AT THAT RACETRACK. IF NO
8 AGREEMENT IS REACHED COVERING THE LOCATIONS, THE TOTAL
9 PERCENTAGE TO BE PAID FOR PURSES SHALL BE THE SAME AS THAT
10 APPLIED TO ON-TRACK WAGERING AT THE RACETRACK LOCATED WITHIN THE
11 PRIMARY MARKET AREA.

12 SECTION 219-A. BOOKS AND RECORDS OF PARI-MUTUEL WAGERING.

13 EVERY CATEGORY 1 LICENSED FACILITY THAT CONDUCTS A HORSE
14 RACING MEETING AT WHICH PARI-MUTUEL WAGERING IS AUTHORIZED,
15 SHALL MAINTAIN BOOKS AND RECORDS THAT CLEARLY SHOW BY SEPARATE
16 RECORD THE TOTAL AMOUNT OF MONEY CONTRIBUTED TO EVERY PARI-
17 MUTUEL POOL. THE DEPARTMENT OF REVENUE OR ITS AUTHORIZED
18 REPRESENTATIVE SHALL HAVE ACCESS TO EXAMINE ALL BOOKS AND
19 RECORDS AND ASCERTAIN WHETHER THE PROPER AMOUNT DUE TO THE STATE
20 IS BEING PAID BY THE LICENSED BUSINESS ENTITY.

21 SECTION 220-A. FILING OF CERTAIN AGREEMENTS WITH THE BOARD.

22 A LICENSED BUSINESS ENTITY SHALL PROMPTLY FILE WITH THE BOARD
23 A TRUE AND CORRECT COPY OF ANY LEASE AGREEMENT CONCERNING ANY
24 CONCESSION, LABOR MANAGEMENT RELATION, HIRING OF DESIGNATED
25 CLASSES OF OFFICERS, EMPLOYEES OR CONTRACTORS SPECIFIED BY THE
26 BOARD OR ANY OTHER CONTRACT OR AGREEMENT AS THE BOARD MAY
27 PRESCRIBE.

28 SECTION 221-A. TAX.

29 (A) FUND.--THERE IS HEREBY ESTABLISHED IN THE STATE TREASURY
30 THE STATE RACING FUND. A LICENSED BUSINESS ENTITY THAT CONDUCTS

1 HORSE RACING MEETINGS SHALL PAY A TAX TO THE DEPARTMENT OF
2 REVENUE FOR DEPOSIT IN THE STATE RACING FUND.

3 (B) TAX RATE.--THE TAX IMPOSED ON A LICENSED ENTITY SHALL BE
4 1.5% OF THE AMOUNT WAGERED EACH RACING DAY AND 2.5% OF THE TOTAL
5 AMOUNT ON AN EXACTA WAGER.

6 (C) EXPENDITURES.--FUNDS COLLECTED AND DEPOSITED UNDER
7 SUBSECTION (B) AND ANY INTEREST SHALL BE USED SOLELY FOR THE
8 ADMINISTRATION AND ENFORCEMENT OF THIS ACT INCLUDING:

9 (1) FUNDS TO THE BOARD IN AN AMOUNT APPROPRIATED BY THE
10 GENERAL ASSEMBLY.

11 (2) FUNDS TO THE DEPARTMENT OF REVENUE IN AN AMOUNT
12 APPROPRIATED BY THE GENERAL ASSEMBLY.

13 (D) REMAINDER.--THE REMAINDER OF THE MONEY SHALL BE
14 DISTRIBUTED AS FOLLOWS:

15 (1) AN AMOUNT EQUIVALENT TO 1% OF THE AMOUNT WAGERED
16 EACH RACING DAY AT THOROUGHBRED HORSE RACE MEETINGS SHALL BE
17 PAID BY THE HORSE RACING COMMISSION FROM THE STATE RACING
18 FUND THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE
19 PENNSYLVANIA BREEDING FUND.

20 (2) AN AMOUNT EQUIVALENT TO 1.5% OF THE AMOUNT WAGERED
21 EACH RACING DAY AT HARNESS HORSE RACE MEETINGS SHALL BE PAID
22 BY THE HARNESS RACING COMMISSION FROM THE STATE RACING FUND
23 THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE
24 PENNSYLVANIA SIRE STAKES FUND.

25 (3) THE REMAINDER OF THE AMOUNT WAGERED EACH RACING DAY
26 SHALL BE DEPOSITED IN THE STATE RACING FUND, FOR
27 APPROPRIATION FOR PROJECTS RELATING TO THE PROMOTION OF HORSE
28 RACING.

29 SECTION 222-A. PARI-MUTUEL POOL DISTRIBUTION.

30 (A) DISTRIBUTION.--A LICENSED ENTITY SHALL DISTRIBUTE MONEY

1 IN A PARI-MUTUEL POOL TO THE HOLDERS OF WINNING TICKET PRESENTED
2 FOR PAYMENT BEFORE THE FIRST DAY OF APRIL OF THE YEAR FOLLOWING
3 THE DATE OF PURCHASE. AFTER APRIL 1 OF THE YEAR FOLLOWING THE
4 YEAR OF PURCHASE, A LICENSED BUSINESS ENTITY SHALL FORWARD THE
5 NECESSARY FUNDS HELD FOR UNCASHED TICKETS TO THE DEPARTMENT OF
6 REVENUE. THE FUNDS SHALL BE DEPOSITED INTO THE STATE RACING
7 FUND.

8 (B) REMAINDER.--THE REMAINDER OF THE MONEY SHALL BE RETAINED
9 BY THE LICENSED ENTITY IN THE FOLLOWING MANNER:

10 (1) SEVENTEEN PERCENT OF THE MONEY PLUS THE BREAKAGE
11 FROM REGULAR WAGERING POOLS OR 19% OF THE MONEY PLUS THE
12 BREAKAGE FROM REGULAR WAGERING POOLS FOR LICENSED ENTITIES
13 WHOSE DAILY TOTAL IN ALL PARI-MUTUEL POOLS AVERAGED LESS THAN
14 \$300,000.

15 (2) TWENTY PERCENT OF THE MONEY PLUS BREAKAGE FROM THE
16 EXACTA, DAILY DOUBLE, QUINELLA AND OTHER WAGERING POOLS AS
17 DETERMINED BY THE BOARD.

18 (3) AT LEAST 26%, BUT NO MORE THAN 35%, FROM THE
19 TRIFECTA OR OTHER WAGERING POOLS AS DETERMINED BY THE BOARD.

20 (C) RETENTION.--A LICENSED ENTITY MAY RETAIN LESS
21 PERCENTAGES UPON APPROVAL OF THE BOARD.

22 (D) DEFINITIONS.--AS USED IN THIS SECTION, THE TERM
23 "BREAKAGE" SHALL MEAN THE ODD CENTS OF REDISTRIBUTIONS TO BE
24 MADE ON CONTRIBUTIONS TO PARI-MUTUEL POOLS EXCEEDING A SUM EQUAL
25 TO THE NEXT LOWEST MULTIPLE OF TEN.

26 SECTION 223-A. PENNSYLVANIA BREEDING FUND.

27 (A) ESTABLISHMENT.--THERE IS HEREBY CREATED A RESTRICTED
28 ACCOUNT IN THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA
29 BREEDING FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER
30 SECTION 222-A.

1 (B) AWARDS FROM THE PENNSYLVANIA BREEDING FUND.--THE
2 DEPARTMENT OF REVENUE SHALL DISTRIBUTE MONEY FROM THE FUND AS
3 FOLLOWS:

4 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
5 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE SIRE
6 BY A REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION
7 OF THE REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE, OR AN
8 AWARD OF 20% OF THE PURSE EARNED BY EVERY REGISTERED
9 PENNSYLVANIA-BRED THOROUGHBRED HORSE SIRE BY A NONREGISTERED
10 SIRE, WHICH FINISHES FIRST, SECOND OR THIRD IN ANY RACE
11 CONDUCTED BY A LICENSED BUSINESS ENTITY UNDER THIS ACT SHALL
12 BE PAID TO THE BREEDER OF SAID REGISTERED PENNSYLVANIA-BRED
13 THOROUGHBRED HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH MAY
14 NOT EXCEED 1% OF THE TOTAL ANNUAL FUND MONEY.

15 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
16 PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH FINISHES FIRST,
17 SECOND OR THIRD IN ANY RACE CONDUCTED BY A LICENSED BUSINESS
18 ENTITY UNDER THIS ACT SHALL BE PAID TO THE OWNER OF THE
19 REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY STOOD IN
20 PENNSYLVANIA AT THE TIME OF CONCEPTION OF THE PENNSYLVANIA-
21 BRED THOROUGHBRED HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH
22 MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL FUND MONEY.

23 (3) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
24 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH
25 FINISHES FIRST IN ANY RACE CONDUCTED BY A LICENSED BUSINESS
26 ENTITY UNDER THIS ACT NOT RESTRICTING ENTRY TO REGISTERED
27 PENNSYLVANIA-BRED THOROUGHBRED HORSES SHALL BE PAID TO THE
28 LICENSED OWNER OF SAID REGISTERED PENNSYLVANIA-BRED
29 THOROUGHBRED HORSE AT THE TIME OF WINNING. A SINGLE AWARD
30 UNDER THIS PARAGRAPH MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL

1 FUND MONEY.

2 (C) PURSES FROM PENNSYLVANIA BREEDING FUND.--UP TO ONE-FIFTH
3 OF THE TOTAL OF THE ESTIMATED FUND MONEY REMAINING EACH YEAR
4 AFTER THE DEDUCTION OF EXPENSES RELATED TO THE ADMINISTRATION
5 AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND PROGRAM AND
6 THE PAYMENT OF BREEDER, STALLION AND OWNER AWARDS, SHALL BE
7 DIVIDED AMONG THE LICENSED BUSINESS ENTITIES THAT CONDUCT
8 THOROUGHBRED HORSE RACING MEETINGS IN DIRECT PROPORTION TO THE
9 RATE BY WHICH EACH LICENSED BUSINESS ENTITY GENERATED THE FUND
10 MONEY DURING THE PREVIOUS YEAR TO BE USED SOLELY FOR PURSES FOR
11 PENNSYLVANIA BREEDING FUND STAKES RACES WHICH RESTRICT ENTRY TO
12 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES.

13 (D) REMAINING FUNDS.--THE FUND MONEY REMAINING FOLLOWING
14 DISBURSEMENTS AS DIRECTED IN SUBSECTION (B) (1), (2) AND (3) AND
15 SUBSECTION (C) SHALL BE DIVIDED AMONG THE LICENSED BUSINESS
16 ENTITIES THAT CONDUCT THOROUGHBRED HORSE RACING MEETINGS IN
17 DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED BUSINESS
18 ENTITY GENERATED THE FUND MONEY DURING THE PREVIOUS YEAR TO BE
19 USED FOR PURSES AS FOLLOWS:

20 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
21 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
22 THOROUGHBRED HORSES.

23 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
24 RACES WHICH PREFER REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
25 HORSES AS STARTERS. IN THESE RACES, SHOULD EIGHT OR MORE
26 REGISTERED PENNSYLVANIA-BRED HORSES PASS THE ENTRY BOX, THE
27 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
28 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES.

29 (E) FUNDS NOT EXPENDED.--PENNSYLVANIA BREEDING FUND MONEY
30 DUE LICENSED BUSINESS ENTITIES, AS OUTLINED IN SUBSECTIONS (C)

1 AND (D), BUT NOT EXPENDED DURING THE CALENDAR YEAR MAY BE
2 CARRIED FORTH IN THE FUND ON THE ACCOUNTS OF THE LICENSED
3 BUSINESS ENTITIES TO BE EXPENDED DURING THE SUCCEEDING YEAR IN
4 ADDITION TO THE BUSINESS ENTITIES' FUND MONEY ANNUALLY DUE THEM
5 FOR PURSES.

6 (E.1) COMMITTEE.--THERE IS HEREBY ESTABLISHED THE
7 PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE. THE COMMITTEE
8 SHALL CONSIST OF MEMBERS, WHO ARE RESIDENTS OF PENNSYLVANIA, TO
9 BE APPOINTED BY THE BOARD BY JUNE 1 OF EACH YEAR. THE COMMITTEE
10 SHALL CONSIST OF TWO MEMBERS OF THE PENNSYLVANIA HORSE BREEDERS'
11 ASSOCIATION, ONE MEMBER FROM THE LICENSED CORPORATIONS, ONE
12 MEMBER FROM THE ASSOCIATION REPRESENTING HORSEMEN RACING IN
13 PENNSYLVANIA AND ONE MEMBER OF THE BOARD. IF A MEMBER OTHER THAN
14 THE BOARD MEMBER HAS NOT BEEN RECOMMENDED BY JUNE 1 OF EACH
15 YEAR, THE BOARD SHALL MAKE AN APPOINTMENT FOR THE ORGANIZATION
16 FAILING TO SO RECOMMEND A MEMBER OF THE COMMITTEE. THE COMMITTEE
17 SHALL ASSIST AND ADVISE THE BOARD UNDER THE PROVISIONS OF THIS
18 ACT BUT SHALL HAVE NO POWER IN ADMINISTERING THE FUND. MEMBERS
19 OF THE ADVISORY COMMITTEE SHALL NOT RECEIVE COMPENSATION OR
20 REIMBURSEMENTS FOR PARTICIPATION ON THE COMMITTEE.

21 (F) PENNSYLVANIA HORSE BREEDERS' ASSOCIATION.--THE BOARD MAY
22 CONTRACT WITH THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION AS
23 THE ORGANIZATION RESPONSIBLE BODY FOR THE REGISTRATION AND
24 RECORDS OF PENNSYLVANIA-BRED HORSES. THE PENNSYLVANIA HORSE
25 BREEDERS' ASSOCIATION SHALL ADVISE THE BOARD WHEN CALLED UPON
26 AND SHALL DETERMINE THE QUALIFICATIONS FOR PENNSYLVANIA-BRED
27 THOROUGHBRED HORSES AND PENNSYLVANIA SIRES. REGISTRATION AND
28 RECORDS OF THE ASSOCIATION SHALL BE OFFICIAL RECORDS OF THE
29 COMMONWEALTH. AT THE CLOSE OF EACH CALENDAR YEAR, THE
30 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL SUBMIT TO THE

1 BOARD FOR ITS APPROVAL AN ITEMIZED BUDGET OF PROJECTED EXPENSES
2 FOR THE ENSUING YEAR RELATING TO THE ADMINISTRATION AND
3 DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND PROGRAM. THE BOARD
4 SHALL REIMBURSE THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION FOR
5 THOSE EXPENSES ACTUALLY INCURRED IN THE ADMINISTRATION AND
6 DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND PROGRAM FROM THE
7 FUND, NO MORE THAN ON A QUARTERLY BASIS.

8 SECTION 224-A. PENNSYLVANIA SIRE STAKES FUND.

9 (A) ESTABLISHMENT.--THERE IS CREATED A RESTRICTED ACCOUNT IN
10 THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA SIRE
11 STAKES FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER
12 SECTION 222-A.

13 (B) DISTRIBUTION AND USE OF FUNDS.--FUNDS SHALL BE
14 DISTRIBUTED AS FOLLOWS:

15 (1) SIXTY PERCENT OF THE MONEY REMAINING IN THE EXCESS
16 FUND ACCOUNT OF THE PENNSYLVANIA SIRE STAKES FUND AT THE END
17 OF THE CALENDAR YEAR IN WHICH THIS SUBSECTION IS ENACTED
18 SHALL BE DISTRIBUTED TO LICENSED BUSINESS ENTITIES THAT
19 CONDUCT HARNESS HORSE RACING MEETINGS TO BE USED IN THE NEXT
20 SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-
21 SIRE HORSES. THE REMAINING 40% OF THE MONEY IN THE EXCESS
22 FUND ACCOUNT AT THE END OF THE CALENDAR YEAR OF THE ENACTMENT
23 OF THIS SUBSECTION, TOGETHER WITH THE INTEREST EARNED ON THAT
24 MONEY, SHALL BE DISTRIBUTED TO LICENSED BUSINESS ENTITIES
25 THAT CONDUCT HARNESS HORSE RACING MEETINGS TO BE USED IN THE
26 NEXT SUCCEEDING CALENDAR YEAR FOLLOWING THE NEXT SUCCEEDING
27 CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-SIRE HORSES.

28 (2) AFTER DEDUCTION OF SUFFICIENT FUNDS TO COVER THE
29 BOARD'S COST OF ADMINISTRATION, 80% OF ALL REMAINING MONEY IN
30 THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE CALENDAR

1 YEAR SHALL BE DISTRIBUTED TO LICENSED BUSINESS ENTITIES THAT
2 CONDUCT HARNESS HORSE RACING MEETINGS TO BE USED AS PURSE
3 MONEY FOR PENNSYLVANIA-SIRED HORSES. THE BOARD MAY ALLOCATE
4 UP TO A TOTAL OF 40% OF THE AMOUNT TO BE DISTRIBUTED TO
5 LICENSED BUSINESS ENTITIES IN A CALENDAR YEAR FOR USE FOR A
6 SERIES OF CHAMPIONSHIP FINAL RACES AT THE RACE TRACKS OF
7 LICENSED BUSINESS ENTITIES THAT CONDUCT HARNESS HORSE RACING
8 MEETINGS. THE DEPARTMENT OF REVENUE SHALL DISTRIBUTE THE
9 MONEY TO THESE CHAMPIONSHIP FINAL RACES IN AN EQUAL AMOUNT
10 FOR EACH SEX, AGE AND GAIT FOR TWO-YEAR-OLD AND THREE-YEAR-
11 OLD TROTTERS AND PACERS BASED ON CONDITIONS ESTABLISHING
12 ELIGIBILITY TO THESE FINAL EVENTS. NO PARI-MUTUEL HARNESS
13 TRACK SHALL BE AWARDED MORE THAN 50% OF THE CHAMPIONSHIP
14 FINAL RACES IN ANY CALENDAR YEAR. THE BOARD SHALL SCHEDULE
15 THESE FINAL EVENTS SO AS TO EVENLY ALTERNATE CLASSES AT EACH
16 RACE TRACK EACH YEAR. AFTER THE ALLOCATION FOR THE
17 CHAMPIONSHIP FINAL RACES HAS BEEN DETERMINED, THE REMAINING
18 FUNDS TO BE DISTRIBUTED TO LICENSED BUSINESS ENTITIES THAT
19 CONDUCT HARNESS HORSE RACING MEETINGS SHALL BE DIVIDED
20 EQUALLY AMONG THE LICENSED BUSINESS ENTITIES. EACH LICENSED
21 BUSINESS ENTITY SHALL DIVIDE THE FUNDS RECEIVED EQUALLY FOR
22 EACH OF:

23 (I) FOUR TWO-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
24 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
25 FILLIES; AND

26 (II) FOUR THREE-YEAR-OLD RACES; ONE PACE FOR COLTS,
27 ONE PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
28 FILLIES.

29 (C) PURSE MONEY.--EACH ALLOTMENT SHALL PROVIDE PURSE MONEY
30 FOR THE RESPECTIVE RACES. THE PURSE MONEY SHALL BE IN ADDITION

1 TO ANY ENTRY FEES OR OTHER FUNDS AVAILABLE.

2 (D) ENTRY RESTRICTION.--ENTRY FOR THESE RACES SHALL BE
3 LIMITED TO HARNESS HORSES WHICH WERE Sired BY A STANDARD BRED
4 STALLION REGULARLY STANDING IN PENNSYLVANIA AND EACH RACE SHALL
5 BE DESIGNATED A PENNSYLVANIA SIRE STAKES RACE. THE BOARD SHALL
6 ADOPT REGULATIONS AS NECESSARY TO ADMINISTER THE ENTRY
7 RESTRICTION.

8 SECTION 225-A. FAIR FUND PROCEEDS.

9 (A) DISTRIBUTION.--THE DEPARTMENT OF AGRICULTURE SHALL
10 DISTRIBUTE MONEY IN THE FAIR FUND ANNUALLY, ON OR BEFORE MARCH
11 1, FOR REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL SOCIETY AND
12 EACH INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING HARNESS HORSE
13 RACING DURING ITS ANNUAL FAIR, OTHER THAN RACES FOR TWO-YEAR-OLD
14 AND THREE-YEAR-OLD COLTS AND FILLIES, AN AMOUNT OF MONEY EQUAL
15 TO THAT USED DURING THEIR ANNUAL FAIR AS PURSE MONEY FOR HARNESS
16 HORSE RACING, TRACK AND STABLE MAINTENANCE, STARTING GATE RENTAL
17 AND THE COST OF ALL HARNESS HORSE RACING OFFICIALS REQUIRED
18 DURING THEIR ANNUAL FAIR. THE REIMBURSEMENT AMOUNT MAY NOT BE
19 MORE THAN \$13,000, A MINIMUM OF \$4,000 OF WHICH MUST BE USED FOR
20 PURSE MONEY AND THE BALANCE OF THE ALLOTMENT PER FAIR, NOT USED
21 FOR PURSE MONEY OVER THE MINIMUM \$4,000 ALLOTMENT, SHALL BE USED
22 FOR THE SPECIFIC PURPOSES REFERENCED ABOVE OR OTHERWISE THE
23 ALLOTMENT SHALL BE RETAINED IN THE FUND.

24 (B) INSPECTION.--THE DEPARTMENT OF AGRICULTURE SHALL
25 ANNUALLY INSPECT EACH TRACK FACILITY AND ADVISE EACH OPERATING
26 FAIR ABOUT TRACK MAINTENANCE WHICH IS NECESSARY TO ENSURE
27 ADEQUATE RACING SURFACE DURING THE COURSE OF SCHEDULED FAIRS AND
28 RACING EVENTS. IF IT IS THE OPINION OF THE DEPARTMENT OF
29 AGRICULTURE THAT THE FAIR SOCIETY OR EVENT SPONSOR IS NOT
30 ADEQUATELY FINANCING TRACK MAINTENANCE, THE DEPARTMENT OF

1 REVENUE SHALL SURCHARGE THE FAIR FUND ACCOUNT OF THE FAIR
2 SOCIETY OR EVENT SPONSOR TO EFFECTUATE THE REMEDIATION.

3 SECTION 226-A. HEARING.

4 IF THE BOARD DENIES ANY LICENSE APPLICATION OR REVOKES OR
5 SUSPENDS ANY LICENSE GRANTED, AN APPLICANT OR LICENSEE MAY
6 DEMAND, WITHIN TEN DAYS AFTER NOTICE OF THE DECISION OF THE
7 BOARD, A HEARING BEFORE THE BOARD. THE PROVISIONS OF 2 PA.C.S.
8 CHS. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
9 COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING TO JUDICIAL
10 REVIEW OF COMMONWEALTH AGENCY ACTION) SHALL APPLY.

11 SECTION 227-A. (RESERVED).

12 SECTION 228-A. PROHIBITION OF WAGERING.

13 NO BOARD MEMBER OR EMPLOYEE OF THE BOARD SHALL WAGER UPON THE
14 OUTCOME OF ANY HORSE RACE CONDUCTED AT A TRACK AT WHICH PARI-
15 MUTUEL WAGERING IS CONDUCTED BY ANY LICENSED BUSINESS ENTITY OF
16 THE BOARD. NO LICENSED BUSINESS ENTITY SHALL PERMIT ANY PERSON
17 WHO IS ACTUALLY AND APPARENTLY UNDER 18 YEARS OF AGE TO WAGER AT
18 A RACING MEETING CONDUCTED BY THE LICENSED BUSINESS ENTITY. NO
19 LICENSED BUSINESS ENTITY SHALL PERMIT ANY PERSON WHO IS UNDER 18
20 YEARS OF AGE TO ATTEND A HORSE RACING MEETING CONDUCTED BY THE
21 LICENSED BUSINESS ENTITY UNLESS THE PERSON IS ACCOMPANIED BY A
22 PARENT OR GUARDIAN. THIS SECTION SHALL NOT BE CONSTRUED TO
23 PROHIBIT PERSONS UNDER 18 YEARS OF AGE, WHO ARE LEGALLY
24 EMPLOYED, FROM BEING UPON THE RACE TRACK PREMISES FOR THE SOLE
25 PURPOSE OF ENGAGING IN THE PERFORMANCE OF THEIR DUTIES AS
26 EMPLOYEES.

27 SECTION 229-A. VETERINARIANS AND STATE STEWARDS.

28 (A) GENERAL RULE.--THE BOARD SHALL HAVE THE AUTHORITY TO
29 CONTRACT WITH LICENSED VETERINARIANS AND STEWARDS TO SERVE AT
30 EACH MEETING CONDUCTED BY A BUSINESS ENTITY LICENSED BY THE

1 BOARD. THE BOARD MAY EMPLOY OTHER INDIVIDUALS AS SHALL BE
2 NECESSARY TO CARRY OUT THE RESPONSIBILITIES OF THIS SECTION.

3 (B) COSTS AND COMPENSATION.--THE COSTS AND COMPENSATION OF
4 THE HORSE RACING VETERINARIANS, STATE STEWARDS AND OTHER
5 INDIVIDUALS SHALL BE FIXED AND PAID BY THE BOARD.

6 (C) STEWARD REQUIREMENTS.--THE BOARD SHALL ESTABLISH A JOB
7 DESCRIPTION AND PROFESSIONAL CRITERIA FOR STEWARDS TO ASSURE
8 THAT THEY HAVE A WORKING KNOWLEDGE OF THE HORSE RACING INDUSTRY.

9 SECTION 230-A. (RESERVED).

10 SECTION 231-A. FREE PASSES, CARDS OR BADGES.

11 (A) ISSUANCE.--A LICENSED BUSINESS ENTITY MAY NOT ISSUE A
12 FREE PASS, CARD OR BADGE, WITHOUT ADMISSION TAX EXCEPT TO:

13 (1) AN OWNER, OFFICER, EMPLOYEE OR SHAREHOLDER OF THE
14 LICENSED BUSINESS ENTITY CONDUCTING THE RACING MEETING;

15 (2) A MEMBER, OFFICER OR EMPLOYEE OF THE BOARD;

16 (3) A MEMBER OF A HORSE RACING ASSOCIATION OF ANOTHER
17 STATE OR FOREIGN COUNTRY;

18 (4) A PUBLIC OFFICER ENGAGED IN THE PERFORMANCE OF HIS
19 DUTY;

20 (5) AN INDIVIDUAL EMPLOYED AND ACCREDITED BY THE PRESS
21 TO ATTEND THE MEETING; OR

22 (6) AN OWNER, STABLE MANAGER, TRAINER, JOCKEY,
23 CONCESSIONARY OR OTHER INDIVIDUAL WHOSE DUTIES REQUIRE A
24 PRESENCE AT THE RACE TRACK.

25 (B) PROMOTIONS AND DISCOUNTS.--THE BOARD MAY APPROVE A
26 LICENSED BUSINESS ENTITY TO ISSUE A FREE PASS, CARD OR BADGE FOR
27 A SPECIAL PROMOTIONAL PROGRAM AND SEASONAL DISCOUNT TICKET
28 PROGRAM. THE ADMISSION TAX UNDER SECTION 208-A SHALL BE IMPOSED
29 ON THE PRICE OF THE SEASONAL DISCOUNT TICKETS SOLD BY A LICENSED
30 BUSINESS ENTITY.

1 (C) REGULATIONS.--A FREE PASS, CARD OR BADGE SHALL BE ISSUED
2 IN ACCORDANCE WITH REGULATIONS OF THE BOARD.

3 (D) LIST.--EXCEPT PERSONS ADMITTED UNDER AN APPROVED SPECIAL
4 PROMOTIONAL PROGRAM OR SEASONAL DISCOUNT TICKET PROGRAM, A LIST
5 OF THE INDIVIDUALS TO WHOM A FREE PASS, CARD OR BADGE IS ISSUED
6 SHALL BE FILED WITH THE BOARD.

7 SECTION 232-A. (RESERVED).

8 SECTION 233-A. MONITORING OF WAGERING ON VIDEO SCREENS.

9 A LICENSED BUSINESS ENTITY CONDUCTING PARI-MUTUEL WAGERING
10 SHALL DISPLAY ON VIDEO SCREENS THE APPROXIMATE ODDS OR
11 APPROXIMATE WILL-PAYS ON EACH HORSE FOR EACH RACE AS WELL AS A
12 COMBINATION OF RACES, INCLUDING QUINELLAS, EXACTAS, PERFECTAS
13 AND ANY OTHER COMBINATION OR POOL OF RACES. A DISPLAY OF
14 APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS IS NOT REQUIRED WHERE
15 THE WAGER IS ON HORSES IN FOUR OR MORE RACES, SUCH AS "PICK 4,
16 PICK 5 OR PICK 6." IN ADDITION TO DISPLAYING THE AMOUNT OF MONEY
17 WAGERED, THE APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS ON EACH
18 HORSE OR COMBINATION OF HORSES MUST BE SHOWN ON VIDEO SCREENS IN
19 EACH WAGERING DIVISION. FOR TRIFECTAS, IN LIEU OF ODDS OR
20 APPROXIMATE WILL-PAYS, THE AMOUNT OF MONEY BEING WAGERED ON EACH
21 HORSE TO WIN IN THE TRIFECTA POOL MUST BE DISPLAYED ON VIDEO
22 SCREENS SEPARATELY FROM ANY OTHER INFORMATION. INFORMATION MUST
23 BE DISPLAYED FROM THE OPENING OF BETS OR WAGERING AND BE
24 CONTINUALLY DISPLAYED UNTIL THE WAGERING IS CLOSED. AT LEAST ONE
25 VIDEO SCREEN IN EACH WAGERING DIVISION SHALL DISPLAY THE AMOUNT
26 OF MONEY WAGERED ON EACH HORSE INVOLVED IN A TRIFECTA POOL.
27 SECTION 234-A. SIMULCASTING.

28 (A) GENERAL RULE.--THE BOARD SHALL PERMIT INTRASTATE
29 SIMULCASTING OF LIVE RACING.

30 (B) SIMULCAST SIGNAL.--THE SIMULCAST SIGNAL SHALL BE

1 ENCODED, AND THE RACETRACK RECEIVING THE SIMULCAST SIGNAL MAY
2 NOT SEND THE SIGNAL ANYWHERE OTHER THAN A PUBLIC LOCATION
3 AUTHORIZED UNDER SECTION 218.1-A OR 218.2-A.

4 (C) FORMS OF PARI-MUTUEL WAGERING.--THE FORMS OF PARI-MUTUEL
5 WAGERING DESCRIBED IN SECTION 221-A ARE ALLOWED ON A RACE TO BE
6 TELEVISED BY SIMULCASTING UNDER THIS SECTION.

7 (D) REGULATIONS.--THE BOARD MAY PROMULGATE REGULATIONS ON
8 WAGERING AND THE OPERATION OF HORSE RACING.

9 (E) COMPUTATION OF MONEY WAGERED.--THE MONEY WAGERED BY A
10 PATRON ON A RACE MUST BE COMPUTED IN THE AMOUNT OF MONEY WAGERED
11 EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION 222-A.

12 (F) THOROUGHBRED AND HARNESS HORSE RACETRACKS.--IF A
13 SIMULCAST IS BETWEEN A THOROUGHBRED RACETRACK AND A HARNESS
14 HORSE RACETRACK, THE BOARD HAS JURISDICTION. AN APPROVAL
15 REQUIRED UNDER THIS SECTION MUST BE RECEIVED FROM THE BOARD,
16 PROVIDED THAT IF AN AGREEMENT IS NOT REACHED BETWEEN THE
17 ORGANIZATION REPRESENTING THE HORSEMEN, THE LICENSED BUSINESS
18 ENTITY MAY PETITION THE COURT OF COMMON PLEAS IN THE COUNTY IN
19 WHICH THE LICENSED ENTITY'S RACETRACK IS LOCATED. THE COURT OF
20 COMMON PLEAS MAY DIRECT THE ORGANIZATION REPRESENTING THE
21 HORSEMEN TO APPROVE THE SIMULCAST AGREEMENT UPON GOOD CAUSE
22 SHOWN BY THE LICENSED BUSINESS ENTITY THAT FAILURE TO CONSENT
23 WOULD BE DETRIMENTAL TO THE RACING INDUSTRY IN THIS
24 COMMONWEALTH. THE BOARD MAY AUTHORIZE THE SIMULCASTING IF THE
25 SIMULCASTING WILL HAVE A SIGNIFICANT VALUE TO THE RACING
26 INDUSTRY IN THIS COMMONWEALTH.

27 (G) DEFINITION.--AS USED IN THIS SECTION, THE TERM "RACING
28 DAY" CONSISTS OF A MINIMUM OF EIGHT LIVE RACES, EXCEPT AT
29 THOROUGHBRED TRACKS ON BREEDERS' CUP EVENT DAY.
30 SECTION 235-A. COMMINGLING.

1 (A) APPLICABILITY.--THIS SECTION IS APPLICABLE ONLY TO
2 LICENSED BUSINESS ENTITIES THAT CONDUCT THOROUGHBRED RACING.

3 (B) RACE SECRETARY.--THE RACE SECRETARY SHALL RECEIVE
4 ENTRIES AND DECLARATIONS AS AN AGENT FOR THE LICENSED BUSINESS
5 ENTITY FOR WHICH THE RACE SECRETARY ACTS. THE RACE SECRETARY OR
6 AN INDIVIDUAL DESIGNATED BY THE LICENSED BUSINESS ENTITY MAY
7 RECEIVE STAKES, FORFEITS, ENTRANCE MONEY, JOCKEY FEES AND OTHER
8 FEES, PURCHASE MONEY IN CLAIMING RACES AND OTHER MONEY THAT CAN
9 PROPERLY COME INTO THE RACE SECRETARY'S POSSESSION AS AN AGENT
10 FOR THE LICENSED BUSINESS ENTITY FOR WHICH THE RACE SECRETARY OR
11 DESIGNEE IS ACTING.

12 (C) HORSEMEN'S ACCOUNT.--A LICENSED BUSINESS ENTITY SHALL
13 MAINTAIN A SEPARATE ACCOUNT, TO BE KNOWN AS A HORSEMEN'S
14 ACCOUNT. MONEY OWED TO OWNERS IN REGARD TO PURSES, STAKES,
15 REWARDS, CLAIMS AND DEPOSITS SHALL BE DEPOSITED INTO THE
16 HORSEMEN'S ACCOUNT. FUNDS IN THE ACCOUNT ARE RECOGNIZED AND
17 DENOMINATED AS BEING THE SOLE PROPERTY OF OWNERS. DEPOSITED
18 FUNDS MAY NOT BE COMMINGLED WITH FUNDS OF THE LICENSED BUSINESS
19 ENTITY UNLESS A LICENSED BUSINESS ENTITY ESTABLISHED AN
20 IRREVOCABLE CLEAN LETTER OF CREDIT WITH AN EVERGREEN CLAUSE IN
21 FAVOR OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
22 OWNERS AND TRAINERS RACING WITH THE LICENSED BUSINESS ENTITY.
23 THE MINIMUM AMOUNT OF THE CREDIT MUST BE THE GREATER OF
24 \$1,000,000 OR 110% OF THE HIGHEST MONTHLY BALANCE IN THE
25 HORSEMEN'S ACCOUNT IN THE IMMEDIATE PRIOR YEAR. TO CALCULATE THE
26 MONTHLY BALANCE IN THE HORSEMEN'S ACCOUNT, THE SUM OF THE DAILY
27 BALANCES SHALL BE DIVIDED BY THE NUMBER OF DAYS IN THE MONTH.
28 THE EVERGREEN CLAUSE MUST PROVIDE THAT:

29 (1) THIRTY DAYS PRIOR TO THE EXPIRATION OF THE LETTER OF
30 CREDIT, THE FINANCIAL INSTITUTION CAN ELECT NOT TO RENEW THE

1 LETTER OF CREDIT;

2 (2) UPON AN ELECTION UNDER PARAGRAPH (1), THE FINANCIAL
3 INSTITUTION MUST NOTIFY THE DESIGNEE OF THE ORGANIZATION THAT
4 REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING WITH
5 THE LICENSED BUSINESS ENTITY, BY REGISTERED MAIL, RETURN
6 RECEIPT REQUESTED, OF THE ELECTION NOT TO RENEW; AND

7 (3) THE FINANCIAL INSTITUTION WILL HONOR THE LETTER OF
8 CREDIT FOR SIX MONTHS AFTER EXPIRATION.

9 PURSE MONEY EARNED BY OWNERS SHALL BE DEPOSITED BY THE LICENSED
10 BUSINESS ENTITY IN THE HORSEMEN'S ACCOUNT WITHIN 48 HOURS AFTER
11 THE RESULT OF THE RACE IN WHICH THE MONEY WAS EARNED HAS BEEN
12 DECLARED OFFICIAL AND THE PURSE HAS BEEN RELEASED BY THE BOARD.

13 (D) BOOKKEEPER.--A LICENSED BUSINESS ENTITY SHALL DESIGNATE
14 A BOOKKEEPER WHO IS AUTHORIZED TO RECEIVE AND DISBURSE FUNDS
15 FROM THE HORSEMEN'S ACCOUNT. THE BOOKKEEPER MUST BE BONDED TO
16 PROVIDE INDEMNITY FOR MALFEASANCE, NONFEASANCE AND MISFEASANCE.
17 A CERTIFIED COPY OF THE BOND SHALL BE FILED WITH THE BOARD.

18 (E) EXAMINATION, ACCESS AND RECORDS.--THE HORSEMEN'S ACCOUNT
19 AND THE INVESTMENT AND DEPOSIT SCHEDULES RELATING TO THE ACCOUNT
20 ARE SUBJECT TO EXAMINATION, AT REASONABLE TIMES, BY A DESIGNEE
21 OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE OWNERS
22 AND TRAINERS RACING WITH THE LICENSED BUSINESS ENTITY AND BY THE
23 BOARD. THE BOOKKEEPER SHALL PROVIDE EACH OWNER WITH ACCESS, AT
24 REASONABLE TIMES DURING A RACING DAY, TO THE AMOUNT OF FUNDS IN
25 THE HORSEMEN'S ACCOUNT CREDITED TO THAT OWNER. AT THE CLOSE OF A
26 HORSE RACING MEETING, THE BOOKKEEPER SHALL MAIL TO EACH OWNER A
27 RECORD OF DEPOSITS, WITHDRAWALS AND TRANSFERS AFFECTING THE
28 AMOUNT OF FUNDS IN THE HORSEMEN'S ACCOUNT CREDITED TO THAT
29 OWNER.

30 (F) AUDITING AND MONTHLY STATEMENTS.--THE HORSEMEN'S ACCOUNT

1 SHALL BE AUDITED ANNUALLY AND AT ANY OTHER TIME DETERMINED BY
2 THE BOARD. MONTHLY STATEMENTS SHALL BE PROVIDED TO THE DESIGNEE
3 OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE OWNERS
4 AND TRAINERS RACING WITH THE LICENSED BUSINESS ENTITY.

5 (G) INTEREST.--FIFTY PERCENT OF THE MONEY EARNED AS INTEREST
6 ON FUNDS IN THE HORSEMEN'S ACCOUNT SHALL BE PAID TO THE
7 ORGANIZATION THAT REPRESENTS A MAJORITY OF THE OWNERS AND
8 TRAINERS RACING WITH THE LICENSED BUSINESS ENTITY ON A WEEKLY
9 BASIS. THE AMOUNT IS FOR THE BENEFIT OF THE HORSEMEN AS
10 DETERMINED BY THE ORGANIZATION THAT REPRESENTS THE MAJORITY OF
11 THE OWNERS AND TRAINERS RACING WITH THE LICENSED BUSINESS
12 ENTITY. THE REMAINING 50% OF THE INTEREST EARNED IS FOR THE
13 BENEFIT OF THE LICENSED BUSINESS ENTITY THAT HAS THE
14 RESPONSIBILITY TO FUND THE COSTS ASSOCIATED WITH THE
15 ADMINISTRATION OF THE FUND. INTEREST EACH MONTH MUST BE EARNED
16 IN AN AMOUNT EQUAL TO THE FEDERAL RESERVE DISCOUNT RATE ON THE
17 FIRST DAY OF THE MONTH.

18 SECTION 236-A. HARNESS HORSE RACING PURSE MONEY.

19 A LICENSED HARNESS HORSE RACING ASSOCIATION MUST PLACE ON
20 DEPOSIT WITH THE BOARD BY MARCH 1 OF EACH YEAR AN IRREVOCABLE
21 LETTER OF CREDIT EQUIVALENT TO ITS AVERAGE WEEKLY PURSE TOTAL
22 FROM THE IMMEDIATE PRIOR YEAR. THE BOARD SHALL HOLD THE LETTER
23 OF CREDIT IN TRUST FOR THE HARNESS HORSEMEN RACING AT THAT
24 LICENSED BUSINESS ENTITY'S HORSE RACE MEETING IF THE PURSE
25 CHECKS ARE NOT ISSUED OR INSUFFICIENT FUNDS ARE AVAILABLE TO
26 COVER THE PURSE CHECKS.

27 SECTION 237-A. (RESERVED).

28 SECTION 238-A. AGRICULTURAL SOCIETY HORSE RACING.

29 THE DEPARTMENT OF AGRICULTURE SHALL PROMULGATE REGULATIONS TO
30 OVERSEE HORSE RACING CONDUCTED BY A COUNTY AGRICULTURAL SOCIETY

1 OR AN INDEPENDENT AGRICULTURAL SOCIETY, AS PROVIDED FOR UNDER
2 SECTION 5(1)(III) AND (IV) OF THE ACT OF JULY 8, 1986 (P.L.437,
3 NO.92), KNOWN AS THE PENNSYLVANIA AGRICULTURAL FAIR ACT.

4 SECTION 4. SECTION 301 OF THE ACT IS AMENDED TO READ:

5 SECTION 301. MANDATORY REQUIREMENTS FOR MEDICATION RULES.

6 (A) [THE COMMISSIONS SHALL HAVE IN EFFECT AT ALL TIMES WHEN]
7 WHEN A LICENSED [CORPORATION] BUSINESS ENTITY CONDUCTS A HORSE
8 RACING MEETING WITH PARI-MUTUEL WAGERING THE BOARD SHALL HAVE IN
9 EFFECT RULES OR REGULATIONS TO CONTROL THE USE AND
10 ADMINISTRATION OF ANY MEDICATION AND THE USE AND ADMINISTRATION
11 OF ANY DEVICE THAT AFFECTS THE PERFORMANCE OF A RACE HORSE. THE
12 [COMMISSIONS] BOARD MAY ESTABLISH PERMITTED TOLERANCE LEVELS AND
13 THERAPEUTIC DOSE ALLOWANCES FOR ALL MEDICATION TO BE USED OR
14 ADMINISTERED TO A RACE HORSE.

15 (B) THE [COMMISSIONS] BOARD SHALL ESTABLISH IN THEIR RULES
16 OR REGULATIONS PENALTY PROVISIONS FOR THE VIOLATION OF THESE
17 RULES OR REGULATIONS.

18 SECTION 5. SECTION 302 (A) AND (C) OF THE ACT, AMENDED MAY
19 16, 1986 (P.L.205, NO.63), ARE AMENDED TO READ:

20 SECTION 302. ESTABLISHMENT OF THE PENNSYLVANIA RACE HORSE
21 TESTING PROGRAM.

22 (A) THERE IS HEREBY ESTABLISHED THE PENNSYLVANIA RACE HORSE
23 TESTING PROGRAM. THE PROGRAM SHALL BE ADMINISTERED BY [A
24 MANAGEMENT COMMITTEE COMPOSED OF THE TWO CHAIRPERSONS OF THE
25 COMMISSIONS, THE SECRETARY OF AGRICULTURE AND TWO PERSONS
26 APPOINTED BY THE GOVERNOR. ONE PERSON APPOINTED BY THE GOVERNOR
27 MUST BE A DOCTOR OF VETERINARY MEDICINE OR A VETERINARY MEDICAL
28 DOCTOR AND A MEMBER OF THE FACULTY OF A SCHOOL OF VETERINARY
29 MEDICINE LOCATED WITHIN THIS COMMONWEALTH AND THE OTHER PERSON
30 MUST BE EMPLOYED WITHIN THE PRIVATE SECTOR AND HAVE A BACKGROUND

1 IN BIOLOGICAL AND/OR CHEMICAL LABORATORY MANAGEMENT. THE PROGRAM
2 IS PLACED IN AND MADE A PART OF THE DEPARTMENT OF AGRICULTURE]
3 THE BOARD. ALL COSTS OF THE PROGRAM SHALL BE PAID BY THE
4 [COMMISSIONS] FEES COLLECTED UNDER SECTION 304. [SUBJECT TO ALL
5 PROVISIONS OF THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN
6 AS "THE ADMINISTRATIVE CODE OF 1929," THAT APPLY TO THE
7 DEPARTMENT, THE MANAGEMENT COMMITTEE SHALL APPOINT AND DIRECT
8 ALL PERSONNEL AS NECESSARY, ESTABLISH A FACILITY OR CONTRACT FOR
9 THE PROVISION OF TESTING SERVICES, ACQUIRE ALL NECESSARY
10 EQUIPMENT AND SUPPLIES AND ADOPT ALL NECESSARY PROCEDURES.]

11 * * *

12 [(C) IN ORDER TO EVALUATE THE EFFECTIVENESS OF TESTING
13 SERVICES PERFORMED BY PERSONNEL OF THE DEPARTMENT OF AGRICULTURE
14 AND DETERMINE WHETHER THE MANNER IN WHICH THESE SERVICES ARE
15 PROVIDED, THE TESTS UTILIZED AND TOLERANCE LEVELS PERMITTED
16 SHOULD BE MODIFIED, THE COMMISSIONS SHALL EQUALLY FUND A
17 CONTRACTED EVALUATION OF EXISTING LABORATORY SERVICES TO BE
18 CONDUCTED BY A NONGOVERNMENTAL ENTITY WITH DOCUMENTED EXPERTISE
19 TO ACCURATELY EVALUATE EXISTING LABORATORY SERVICES AND
20 FORMULATE RECOMMENDATIONS FOR IMPROVEMENT OF THE TESTING
21 PROGRAM. UPON REVIEW OF THE EVALUATION RESULTS, THE DEPARTMENT
22 MAY IMPLEMENT IN CONSULTATION WITH THE MANAGEMENT COMMITTEE A
23 PROGRAM TO IMPROVE LABORATORY SERVICES, INCLUDING, IF NECESSARY
24 AND APPROPRIATE, THE SELECTION OF A CONTRACTOR OR CONTRACTORS TO
25 PROVIDE TESTING SERVICES. THIS STUDY SHALL BE COMPLETED ON OR
26 BEFORE JANUARY 1, 1987, AND COPIES PROVIDED TO THE GOVERNOR, THE
27 PRESIDENT PRO TEMPORE OF THE SENATE, THE SPEAKER OF THE HOUSE OF
28 REPRESENTATIVES AND THE MEMBERS OF THE STATE GOVERNMENT
29 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES WITHIN
30 15 WORKING DAYS.]

1 SECTION 6. SECTION 304 OF THE ACT IS AMENDED TO READ:
2 SECTION 304. COSTS OF THE ENFORCEMENT OF THE MEDICATION RULES
3 OR REGULATIONS.

4 [ALL COSTS FOR THE COLLECTION AND TESTING SAMPLES FOR ANY
5 MANNER OF MEDICATION SHALL BE PAID BY THE COMMISSIONS.] THE
6 BOARD SHALL ESTABLISH A FEE SCHEDULE TO BE CHARGED TO HORSE
7 OWNERS FOR THE ACTUAL COSTS OF THE COLLECTIONS AND TESTING FOR
8 MEDICATION. THE COSTS OF COLLECTIONS AND TESTING SHALL INCLUDE
9 THE COST OF EQUIPMENT, SUPPLIES AND FACILITIES, EXCEPT HOLDING
10 BARN OR STABLES, TO BE LOCATED AT RACE HORSE MEETING
11 FACILITIES, GROUNDS OR ENCLOSURES OR AT OTHER LOCATIONS
12 DESIGNATED BY THE BOARD, WHICH SHALL BE PUBLISHED IN THE
13 PENNSYLVANIA BULLETIN AND SHALL BE IN EFFECT 60 DAYS AFTER BEING
14 PUBLISHED.

15 SECTION 7. THIS ACT SHALL TAKE EFFECT IN 60 DAYS.