
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1259 Session of
1985

INTRODUCED BY WENGER, KELLEY, MOORE, LYNCH, FUMO, ROMANELLI,
BELL AND SHUMAKER, DECEMBER 4, 1985

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
APRIL 22, 1986

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 the powers and duties of the State Horse Racing
7 Commission and the State Harness Racing Commission; further
8 regulating licensing of racing corporations and individuals
9 involved in racing, handling of funds, and racing employees;
10 further providing for special funds; FURTHER PROVIDING FOR <—
11 ALLOCATION OF RACING DAYS, FOR THE PLACE AND MANNER OF
12 CONDUCTING PARI-MUTUEL WAGERING, FOR THE RETENTION PERCENTAGE
13 AND DISTRIBUTION OF PARI-MUTUEL POOLS, FOR FINES AND
14 PENALTIES AND FOR THE SIMULCASTING AND TELEVISIONING OF RACES;
15 PLACING LIMITATIONS ON DAY AND NIGHT RACING; making editorial
16 changes; and reestablishing the State Horse Racing Commission
17 and the State Harness Racing Commission.

18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 Section 1. Section 102 of the act of December 17, 1981
21 (P.L.435, No.135), known as the Race Horse Industry Reform Act,
22 is amended to read:

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

6 "Clean letter of credit." A letter of credit which is
7 available to the beneficiary against presentation of only a
8 draft or receipt.

9 "Commissions." The State Horse Racing Commission and the
10 State Harness Racing Commission.

11 "Commissioners." The persons appointed by the Governor and
12 confirmed by the Senate who serve on the State Horse Racing
13 Commission or the State Harness Racing Commission and who
14 administer the applicable provisions of this act.

15 "Evergreen clause." A term in a letter of credit providing
16 for automatic renewal of the letter of credit.

17 "Irrevocable clean letter of credit." A clean letter of
18 credit which cannot be canceled or amended unless there is an
19 agreement to cancel or amend among all parties to the letter of
20 credit.

21 "Licensed corporations." The corporations that have obtained
22 a license from either the State Horse Racing Commission or the
23 State Harness Racing Commission to conduct thoroughbred or
24 harness horse race meetings respectively with pari-mutuel
25 wagering.

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

29 "SIMULCAST." THE TRANSMISSION OF LIVE ELECTRONICALLY
30 TELEVISED VIDEO/AUDIO RACES FROM THE HOST RACETRACK TO THE RACE

1 TRACK RECEIVING THE TELEVISION TRANSMISSION.

2 Section 2. Sections 201(e), ~~209 and 212~~, 207(B)(3) AND 209 <—
3 of the act are amended to read:

4 Section 201. Establishment of the commissions.

5 * * *

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 * * *

23 SECTION 207. ALLOCATION OF RACING DAYS. <—

24 * * *

25 (B) NO MORE THAN 125 RACING DAYS SHALL BE ALLOCATED TO EACH
26 LICENSED CORPORATION CONDUCTING HARNESS HORSE RACE MEETINGS IN
27 ANY CALENDAR YEAR. EVERY CORPORATION SHALL HOLD ITS LICENSE
28 UNDER THE PROVISIONS OF SECTION 209. THE STATE HARNESS RACING
29 COMMISSION SHALL ALLOCATE THE RACING DAYS IN ACCORDANCE WITH THE
30 FOLLOWING GUIDELINES:

1 * * *

2 (3) UPON REQUEST THE STATE HARNESS RACING COMMISSION MAY
3 GRANT UP TO AN ADDITIONAL 25 RACING DAYS OVER THE 125 RACING
4 DAYS TO A LICENSED CORPORATION IN EACH CALENDAR YEAR AND THE
5 COMMISSION MAY GRANT UP TO 50 ADDITIONAL DAYS OF RACING IF
6 THAT CORPORATION IS THE ONLY CORPORATION OPERATING AT THE
7 FACILITY, IF RACING MEET SCHEDULES CAN ACCOMMODATE THESE
8 EXTRA RACING DAYS [AND IF EACH LICENSED CORPORATION SHALL
9 HAVE BEEN ALLOCATED RACING DAYS].

10 * * *

11 Section 209. Licenses for horse race meetings.

12 (a) Any corporation desiring to conduct horse race meetings
13 at which pari-mutuel wagering shall be permitted may apply to
14 the appropriate commission for a license. ~~The license gives its~~ <—
15 ~~holder the privilege to conduct horse race meetings at which~~
16 ~~pari mutuel wagering is permitted. The license does not give its~~
17 ~~holder a property right.~~ If, in the judgment of the appropriate
18 commission, the public interest, convenience or necessity will
19 be served and a proper case for the issuance of the license is
20 shown, the appropriate commission may issue the license. The
21 license shall remain in effect so long as the licensed
22 corporation complies with all conditions, rules and regulations
23 and provisions of this act. A commission may revoke or suspend
24 the license of any corporation, if the commission finds by a
25 preponderance of the evidence that the corporation, its
26 officers, employees or agents, has not complied with the
27 conditions, rules, regulations and provisions of this act and
28 that it would be in the public interest, convenience or
29 necessity to revoke or suspend the license. A license is not
30 transferable.

(b) Every license shall be issued upon [condition] the following conditions:

(1) [that every] A horse race meeting at which pari-mutuel wagering is conducted [shall be] is subject to the supervision of and to the reasonable rules and regulations prescribed by the appropriate commission[;].

(2) [that pari-mutuel] Pari-mutuel wagering conducted [shall] is also [be] subject to the supervision of and to the reasonable regulations prescribed by the Department of Revenue. Any license may also be issued upon any other condition that the appropriate commission [shall determine] determines to be necessary or desirable to insure that the public interest, convenience or necessity is served[; and].

(3) [that the] The corporation can prove by a preponderance of the evidence that it has obtained the use of a facility to conduct horse race meetings. The proof may be demonstrated by documentation of an ownership interest in the facility or by a written lease for use of the facility. For purposes of this [section] paragraph, an ownership interest shall mean that a licensed corporation directly or through a parent or subsidiary has at least a 35% equity interest in the track facility at which it conducts horse race meetings or is the primary tenant at such facility. For purposes of this [subsection] paragraph, a primary tenant shall be that licensed corporation, if any, which is a tenant conducting horse racing meetings at a track facility at which no licensed corporation conducting horse race meetings has directly or through a parent or subsidiary at least a 35% equity interest in such facility, and if there is more than 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) [If the appropriate commission finds that a] A
15 licensed corporation does not have proof of a written lease
16 of a facility to conduct horse race meetings[, it]. Under
17 this paragraph, the appropriate commission may suspend [its]
18 a license for a period of two years. After the expiration of
19 the suspension, the appropriate commission may then revoke
20 the license, if the licensed corporation has failed to
21 contract for a facility at which to conduct horse race
22 meetings.

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

26 (f) The commissions shall also have power to refuse to
27 grant, revoke or suspend a license:

28 (1) To any corporation, the charter or certificate of
29 incorporation of which shall fail to contain a provision
30 requiring any stockholder, upon written demand of the

1 corporation, to sell his stock to the corporation at a price
2 to be fixed by the appropriate commission, provided the
3 demand be made pursuant to written direction of the
4 appropriate commission and from the date of the making of the
5 demand prohibiting the transfer of the certificate of stock
6 except to the corporation.

7 (2) To any corporation which, having been a licensee,
8 has failed, in the opinion of the appropriate commission, to
9 properly maintain its track and plant in good condition or
10 has failed to make adequate provision for rehabilitation and
11 capital improvements to its track and plant.

12 (g) Pending final determination of any question under this
13 section, the commissions may issue a temporary license upon such
14 terms and conditions as they see fit to effectuate the
15 provisions of this act.

16 (h) The commissions shall have power to direct that every
17 certificate of stock of a licensed corporation shall bear a
18 legend, plainly and prominently imprinted upon the face of the
19 certificate, reading: "This certificate of stock is transferable
20 only subject to the provisions of the 'Race Horse Industry
21 Reform Act'." The provisions of this subsection shall not apply
22 to stock heretofore issued by a licensed corporation under the
23 provisions of the act of December 11, 1967 (P.L.707, No.331), as
24 amended, and referred to as the Pennsylvania Thoroughbred Horse
25 Racing Law or of the act of December 22, 1959 (P.L.1978,
26 No.728), as amended, and referred to as the Pennsylvania Harness
27 Racing Law.

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

29 ~~(a) At all thoroughbred horse race meetings licensed by the~~
30 ~~State Horse Racing Commission, qualified [stewards,] judges and~~

1 ~~starters shall be approved by the commission. These officials~~
2 ~~shall enforce the rules and regulations of the State Horse~~
3 ~~Racing Commission and shall render written reports of the~~
4 ~~activities and conduct of such race meetings to the State Horse~~
5 ~~Racing Commission. The compensation of these judges and starters~~
6 ~~shall be paid by the corporation conducting the race meeting.~~

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

22 Section 3. ~~Sections 213, 223 and 224~~ SECTION 213 of the act, <—
23 amended December 30, 1983 (P.L.400, No.93), are IS amended to <—
24 read:

25 Section 213. Licenses for commissioners, employees and
26 participants at horse race meetings.

27 (a) Each commission shall license trainers, jockeys,
28 drivers, persons participating in thoroughbred and harness horse
29 race meetings, horse owners and all other persons and vendors
30 exercising their occupation or employed at thoroughbred and

1 harness horse race meetings. The license gives its holder a
2 privilege to engage in the specified activity but the license
3 does not give its holder a property right. Licenses are not
4 transferable. Each commission shall fix the license fees to be
5 paid by persons or corporations so licensed; provided, however,
6 that such occupational license fees shall not exceed \$100. All
7 fees shall be paid to the commissions and by them paid into the
8 State Treasury through the Department of Revenue and credited to
9 the State Racing Fund. The application shall be in the form and
10 contain the information as each commission may require.
11 Applicants must have their fingerprints taken as part of the
12 background investigation. All licenses [may] shall be issued for
13 [more than a one year term] three-year terms and shall be
14 automatically renewed, upon payment of the required fee, unless
15 subsection (f) applies. The commissions may also stagger the
16 termination dates and renewal dates of the licenses, in order to
17 process and issue the licenses in an orderly manner that
18 provides for approximately one-third of the licenses to be
19 renewed each year. The commissions shall fix the manner by which
20 licenses are processed and issued by rule or regulation.

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

26 (c) If the commissions find that the experience, character
27 and general fitness of the applicant are such that the
28 participation of the person in horse race meets is consistent
29 with the public interest, convenience and necessity, and with
30 the best interests of racing generally in conformity with the

1 purposes of this act, it may grant a license.

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

4 (1) Has been convicted of a crime involving moral
5 turpitude.

6 (2) Has engaged in bookmaking or other form of illegal
7 gambling.

8 (3) Has been found guilty of any fraud or
9 misrepresentation in connection with racing or breeding.

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

14 (5) Has violated any rule, regulation or order of the
15 commissions.

16 (e) Each commission shall have the right to inspect all
17 contracts between licensed corporations and vendors for goods
18 and services. Each commission shall require by rule or
19 regulation that vendors disclose to the appropriate commission
20 all principal officers and a description of their interests in
21 the vendors' business. Failure to properly disclose this
22 information shall constitute grounds to deny, to revoke or to
23 suspend any vendor's license issued under the provisions of this
24 act.

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

27 (1) The applicant or licensee:

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

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

1 illegal gambling;

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

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

<—

8 (v) [who] has violated any rule, regulation or order
9 of the commissions; ~~or~~

<—

10 ~~(vi) has been convicted of an offense related to the~~
11 ~~use, possession or sale of drugs or alcohol.~~

12 (2) That the experience, character or general fitness of
13 any applicant or licensee is such that the participation of
14 the person in horse racing or related activities would be
15 inconsistent with the public interest, convenience or
16 necessity or with the best interests of racing.

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

21 (h) The commissions may suspend a license under subsection
22 (f) pending a hearing on the matter. The hearing must take place
23 within ten days of the suspension.

24 (i) The commissions shall not grant licenses to citizens of
25 states that do not grant licenses to citizens of this
26 Commonwealth on the basis of in-state preference.

27 ~~SECTION 4. SECTION 214(B) OF THE ACT IS AMENDED TO READ:~~

<—

28 ~~SECTION 214. POWER OF COMMISSIONS TO IMPOSE FINES AND~~

29 ~~PENALTIES.~~

30 ~~***~~

1 ~~(B) NO OFFICER OR EMPLOYEE OF A LICENSED CORPORATION OR~~
2 ~~THEIR SPOUSES, PARENTS, FATHERS IN LAW, MOTHERS IN LAW, SONS,~~
3 ~~DAUGHTERS, SONS IN LAW OR DAUGHTERS IN LAW SHALL HAVE ANY DIRECT~~
4 ~~OR INDIRECT INTEREST IN A RACE HORSE THAT IS PARTICIPATING IN A~~
5 ~~RACE AT A MEET AT WHICH SUCH PERSON OR HERETOFORE MENTIONED~~
6 ~~RELATIVE HOLDS ANY INTEREST IN THE LICENSED CORPORATION~~
7 ~~CONDUCTING THE MEET AND/OR THE TRACK FACILITY. AN OFFICER OR~~
8 ~~EMPLOYEE OF A LICENSED CORPORATION OR THEIR SPOUSES, PARENTS,~~
9 ~~FATHERS IN LAW, MOTHERS IN LAW, SONS, DAUGHTERS, SONS IN LAW OR~~
10 ~~DAUGHTERS IN LAW MAY HAVE AN INTEREST IN A RACE HORSE AND ENTER~~
11 ~~IT AT MEETS THAT ARE CONDUCTED BY LICENSED CORPORATIONS OR AT~~
12 ~~RACE TRACKS IN WHICH SUCH A PERSON OR HERETOFORE MENTIONED~~
13 ~~RELATIVE HOLDS NO DIRECT OR INDIRECT INTEREST. EACH COMMISSION~~
14 ~~SHALL IMPOSE A FINE OR PENALTY UPON ANY PERSON FOR VIOLATION OF~~
15 ~~THIS SUBSECTION AS PROVIDED FOR UNDER SUBSECTION (A). FOR~~
16 ~~PURPOSES OF THIS SUBSECTION AN INTEREST SHALL NOT INCLUDE:~~

17 ~~(1) ANY BREEDER'S FUND AWARD AS A RESULT OF A HORSE~~
18 ~~BEING A REGISTERED PENNSYLVANIA BRED THOROUGHBRED HORSE UNDER~~
19 ~~THE PROVISIONS OF SECTION 223; AND~~

20 ~~(2) ANY INTEREST IN A LICENSED CORPORATION THAT WAS HELD~~
21 ~~BY A PERSON, PARTNERSHIP, ASSOCIATION OR CORPORATION ON OR~~
22 ~~BEFORE [DECEMBER 22, 1973] JANUARY 1, 1987.~~

23 SECTION 5 4. SECTION 218 OF THE ACT, AMENDED JULY 3, 1984
24 (P.L.577, NO.115), IS AMENDED TO READ:

25 SECTION 218. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL
26 WAGERING.

27 (A) EVERY LICENSED CORPORATION SHALL PROVIDE DURING A HORSE
28 RACE MEETING A PLACE OR PLACES WITHIN THE RACE TRACK ENCLOSURE
29 AT WHICH THE LICENSED CORPORATION SHALL CONDUCT THE PARI-MUTUEL
30 SYSTEM OF WAGERING BY ITS PATRONS ON THE RESULTS OF HORSE RACES

1 HELD AT SUCH MEETINGS OR TELEVISED TO THE RACE TRACK ENCLOSURE
2 BY SIMULCASTING. THE LICENSED CORPORATION SHALL ERECT A SIGN OR
3 BOARD UPON WHICH SHALL BE DISPLAYED THE APPROXIMATE STRAIGHT
4 ODDS ON EACH HORSE IN ANY RACE; THE VALUE OF A WINNING MUTUEL
5 TICKET, STRAIGHT, PLACE OR SHOW ON THE FIRST THREE HORSES IN THE
6 RACE; THE ELAPSED TIME OF THE RACE; THE VALUE OF A WINNING DAILY
7 DOUBLE TICKET, IF A DAILY DOUBLE BE CONDUCTED, AND ANY OTHER
8 INFORMATION THAT THE COMMISSIONS MAY DEEM NECESSARY FOR THE
9 GUIDANCE OF THE GENERAL PUBLIC. THE COMMISSIONS MAY PRESCRIBE,
10 BY RULE, THE TYPE AND KIND OF EQUIPMENT TO BE USED FOR THE
11 DISPLAY OF THE FOREGOING INFORMATION.

12 (A.1) FOR PURPOSES OF THIS ACT, THE TERM "RACE TRACK
13 ENCLOSURE" WITH RESPECT TO EACH LICENSED CORPORATION SHALL BE
14 DEEMED TO INCLUDE ALL PRIMARY, NONPRIMARY, CONTIGUOUS AND
15 NONCONTIGUOUS LOCATIONS OF A LICENSED CORPORATION WHICH ARE
16 SPECIFICALLY APPROVED BY EITHER OF THE COMMISSIONS FOR
17 OPERATION, BY SUCH LICENSED CORPORATION, OF PARI-MUTUEL WAGERING
18 ON HORSE RACES CONDUCTED BY SAID CORPORATION OR SIMULCAST
19 PURSUANT TO THE PROVISIONS OF SECTION 216 OR 234 OF THIS ACT AT
20 SAID PRIMARY LOCATION OR BY OPERATION OF TELEPHONE ACCOUNT
21 BETTING PURSUANT TO THIS SECTION: PROVIDED, THAT ANY RACE TRACK
22 ENCLOSURE MUST INCLUDE AT LEAST ONE COMMISSION-APPROVED LOCATION
23 CONTAINING A RACE TRACK AS A LICENSED CORPORATION'S "PRIMARY
24 RACE TRACK LOCATION": PROVIDED FURTHER, THAT NONE OF THE
25 NONPRIMARY LOCATIONS OF ANY PARTICULAR LICENSED CORPORATION MAY
26 BE LOCATED WITHIN THE PRIMARY MARKET AREA OF ANY OTHER LICENSED
27 CORPORATION AS DEFINED IN SECTION 102 AND SUBSECTION (E). DURING
28 ANY PARI-MUTUEL HORSE RACE MEETING, PARI-MUTUEL WAGERING MAY BE
29 CONDUCTED BY A LICENSED CORPORATION AT ANY TWO OR MORE LOCATIONS
30 WITHIN THE LICENSED CORPORATION'S RACE TRACK ENCLOSURE

1 SIMULTANEOUSLY: PROVIDED, HOWEVER, THAT ALL WAGERS WITHIN A
2 PARTICULAR LICENSED CORPORATION'S RACE TRACK ENCLOSURE MUST BE
3 PLACED SOLELY THROUGH PARI-MUTUEL WAGERING SYSTEMS OPERATED OR
4 SUPERVISED BY SUCH LICENSED CORPORATION, THROUGH THE RACING
5 CORPORATION'S PRIMARY RACE TRACK LOCATION. THE APPROPRIATE
6 COMMISSION SHALL HAVE THE EXPRESS RIGHT TO INSPECT ALL ASPECTS
7 OF ANY NONPRIMARY TRACK ENCLOSURE AT ANY TIME. NO NONPRIMARY
8 LOCATION SHALL BE ESTABLISHED WITHOUT THE PRIOR, EXPRESS
9 AUTHORIZATION OF THE APPROPRIATE COMMISSION GIVEN IN COMPLIANCE
10 WITH THE APPROPRIATE COMMISSION'S RULES AND REGULATIONS. NO FORM
11 OF GAMBLING SHALL BE CONDUCTED AT ANY PRIMARY OR NONPRIMARY
12 LOCATION EXCEPT, WAGERING AUTHORIZED BY THIS ACT AND SELLING OF
13 TICKETS AUTHORIZED BY THE ACT OF AUGUST 26, 1971 (P.L.351,
14 NO.91), KNOWN AS THE "STATE LOTTERY LAW."

15 (B) EACH COMMISSION MAY UPON REQUEST BY ANY LICENSED
16 CORPORATION GRANT PERMISSION TO THE LICENSED CORPORATION TO
17 CONDUCT A TELEPHONE ACCOUNT WAGERING SYSTEM: PROVIDED, HOWEVER,
18 THAT ALL TELEPHONE MESSAGES TO PLACE WAGERS MUST BE TO A PLACE
19 WITHIN THE RACE TRACK ENCLOSURE: AND FURTHER PROVIDED, THAT ALL
20 MONEYS USED TO PLACE TELEPHONE WAGERS BE ON DEPOSIT IN AN AMOUNT
21 SUFFICIENT TO COVER THE WAGER AT THE RACE TRACK [WHERE]
22 ENCLOSURE OF THE LICENSED CORPORATION WITH WHICH THE ACCOUNT
23 [IS] WAS OPENED. EACH COMMISSION MAY PROMULGATE RULES OR
24 REGULATIONS TO REGULATE TELEPHONE ACCOUNT WAGERING. ALL MONEYS
25 WAGERED AS A RESULT OF TELEPHONE ACCOUNT WAGERING SHALL BE
26 INCLUDED IN THE AMOUNT WAGERED EACH RACING DAY FOR PURPOSES OF
27 TAXATION UNDER SECTION 222 AND SHALL BE INCLUDED IN THE SAME
28 PARI-MUTUEL POOLS FOR EACH POSTED RACE. ALL MONEYS WAGERED AT
29 NONPRIMARY, CONTIGUOUS OR NONCONTIGUOUS LOCATIONS WITHIN THE
30 RACE TRACK ENCLOSURE SHALL BE DEEMED TO HAVE BEEN WAGERED AT THE

PRIMARY RACE TRACK LOCATION FOR PURPOSES OF ANY AGREEMENT
WHEREBY A LICENSED CORPORATION LEASES ITS PRIMARY RACE TRACK
LOCATION. ALL TELEPHONE ACCOUNT WAGERING SYSTEMS SHALL BE SOLELY
OPERATED BY THE LICENSED CORPORATIONS.

(C) A LICENSED CORPORATION SHALL ONLY ACCEPT AND TABULATE A
WAGER PURSUANT TO SUBSECTION (B) BY A DIRECT TELEPHONE CALL FROM
THE HOLDER OF A TELEPHONE WAGERING ACCOUNT. NO PERSON SHALL
DIRECTLY OR INDIRECTLY ACT AS AN INTERMEDIARY, TRANSMITTER OR
AGENT IN THE PLACING OF WAGERS FOR A HOLDER OF A TELEPHONE
WAGERING ACCOUNT. NO PERSON SHALL IN ANY MANNER PLACE ANY WAGER
BY TELEPHONE TO A FACILITY IN THE RACE TRACK ENCLOSURE ON BEHALF
OF A HOLDER OF A TELEPHONE WAGERING ACCOUNT. ONLY THE HOLDER OF
A TELEPHONE WAGERING ACCOUNT SHALL PLACE A TELEPHONE WAGER. FOR
THE PURPOSES OF THIS SECTION, TELEPHONE TRANSMISSIONS AND
TELEPHONE ACCOUNT WAGERING SHALL INCLUDE ALL FORMS OF ELECTRONIC
OR OTHER SIGNAL TRANSMISSIONS BY ANY MEANS SO LONG AS THE
CONTENT OF THE TRANSMISSION IS CONTROLLED SOLELY BY THE HOLDER
OF THE TELEPHONE WAGERING ACCOUNT. ANY PERSON VIOLATING THIS
SUBSECTION SHALL BE GUILTY OF A MISDEMEANOR OF THE FIRST DEGREE.

(D) A LICENSED CORPORATION SHALL NOT ACCEPT A TELEPHONE
WAGER FROM, NOR ESTABLISH A TELEPHONE BETTING ACCOUNT FOR, ANY
PERSON LOCATED IN OR RESIDING IN AN AREA DEFINED HEREIN AS THE
PRIMARY MARKET AREA OF A RACE TRACK, OTHER THAN THE RACE TRACK
AT WHICH THE LICENSED CORPORATION IS CONDUCTING A RACING MEET.
NOTHING HEREIN SHALL PROHIBIT THE LICENSED CORPORATION FROM
ACCEPTING A TELEPHONE WAGER FROM, OR ESTABLISHING A TELEPHONE
BETTING ACCOUNT FOR, ANY PERSON LOCATED IN OR RESIDING IN THE
PRIMARY MARKET AREA OF THE TRACK AT WHICH THE LICENSED
CORPORATION IS CONDUCTING A MEET AND, IF TWO TRACKS SHARE
PRIMARY MARKET AREA AS DEFINED HEREIN, BOTH TRACKS SHALL HAVE

1 EQUAL RIGHTS TO THE MARKET IN THE SHARED AREA.

2 (E) THE PRIMARY MARKET AREA OF A RACE TRACK, FOR PURPOSES OF
3 THIS ACT, IS DEFINED AS THAT LAND AREA INCLUDED IN A CIRCLE
4 DRAWN WITH THE RACE TRACK AS THE CENTER AND A RADIUS OF 35 AIR
5 MILES.

6 (F) ANY LICENSED CORPORATION CONDUCTING TELEPHONE ACCOUNT
7 WAGERING MAY PROVIDE A TELEVISION PROGRAM OF ITS RACES IN
8 CONNECTION THEREWITH IF THE TELEVISION SIGNAL IS ENCODED, OR IF
9 A METHOD SATISFACTORY TO THE APPROPRIATE COMMISSION IS PROVIDED
10 TO ENSURE THE SIGNAL IS NOT USED TO ALLOW OR PROMOTE ILLEGAL
11 WAGERING OR TELEPHONE ACCOUNT WAGERING NOT IN COMPLIANCE WITH
12 THE PROVISIONS OF THIS SECTION. AN EXEMPTION SHALL BE PROVIDED
13 FOR COMMERCIAL AND EDUCATIONAL TELEVISION BROADCASTING.

14 SECTION ~~6~~ 5. SECTION 221(A) OF THE ACT, AMENDED DECEMBER 30, <—
15 1983 (P.L.400, NO.93), IS AMENDED TO READ:

16 SECTION 221. RETENTION PERCENTAGES FOR PARI-MUTUEL POOLS.

17 (A) EVERY LICENSED CORPORATION SHALL DISTRIBUTE THE MONEYS
18 IN ANY PARI-MUTUEL POOL TO THE HOLDERS OF WINNING TICKETS UNDER
19 THE FOLLOWING REQUIREMENTS:

20 (1) ALL TICKETS SHALL BE PRESENTED FOR PAYMENT BEFORE
21 THE FIRST DAY OF APRIL OF THE YEAR FOLLOWING THE YEAR OF
22 THEIR PURCHASE; AND

23 (2) SEVENTEEN PERCENT OF THE MONEYS PLUS THE BREAKAGE
24 FROM REGULAR WAGERING POOLS SHALL BE RETAINED BY THE LICENSED
25 CORPORATIONS FOR FURTHER DISTRIBUTION UNDER SECTION 222; OR

26 (3) NINETEEN PERCENT OF THE MONEYS PLUS THE BREAKAGE
27 FROM REGULAR WAGERING POOLS FROM LICENSED CORPORATIONS WHOSE
28 TOTAL DEPOSITS IN ALL PARI-MUTUEL POOLS AVERAGED LESS THAN
29 \$300,000 PER RACING DAY FOR THEIR PREVIOUS MEETING AT THE
30 SAME FACILITY; OR

(4) [NINETEEN AND SEVEN-TENTHS PERCENT] TWENTY PERCENT
OF THE MONEYS 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; OR

(5) AT LEAST [25.7%] 26% BUT NO MORE THAN 35% OF THE
MONEYS 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; AND

(6) EXCEPT AS PROVIDED FOR IN SUBSECTION (D.1) OF
SECTION 222, EVERY CORPORATION MAY RETAIN LESS THAN 17%, 19%
OR [19.7%] 20% OF THE MONEYS IN THE WAGERING POOLS UNDER
PARAGRAPHS (2), (3) AND (4) OR LESS THAN [25.7%] 26% OF THE
MONEYS IN THE WAGERING POOLS UNDER PARAGRAPH (5) UPON
APPROVAL FROM THE APPROPRIATE COMMISSION; AND

(7) EVERY CORPORATION MAY RETAIN MORE THAN 25% BUT NO
MORE THAN 35% OF THE MONEYS IN THE WAGERING POOLS UNDER
PARAGRAPH (5) UPON APPROVAL FROM THE APPROPRIATE COMMISSION;
AND

(8) ALL MONEYS REMAINING IN THE WAGERING POOLS DESCRIBED
UNDER PARAGRAPHS (2), (3), (4), (5), (6) AND (7) SHALL BE
DISTRIBUTED TO THE HOLDERS OF WINNING TICKETS.

* * *

SECTION 7 6. SECTION 222(A.1) AND (D.1) OF THE ACT, ADDED
DECEMBER 30, 1983 (P.L.400, NO.93), ~~IS~~ ARE AMENDED AND THE
SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

SECTION 222. DISTRIBUTION OF MONEYS RETAINED FROM PARI-MUTUEL
POOLS; TAXATION.

* * *

~~(A.4) AT THE CLOSE OF EACH DAY OF RACING, ALL CORPORATIONS
LICENSED TO CONDUCT HARNESS RACE MEETINGS OR THOROUGHBRED HORSE
RACE MEETINGS WILL PAY OUT OF THE MONEYS RETAINED ON THAT DAY
UNDER SECTION 221, THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT
TO THE STATE HORSE RACING FUND, THE FOLLOWING TAXES FOR THE TIME
PERIODS STATED:~~

~~(1) FROM JANUARY 1, 1984 THROUGH JUNE 30, 1984 — 3.8%.~~

~~(2) FROM JULY 1, 1984 THROUGH JUNE 30, 1986 — 2.0%.~~

~~(3) AFTER JUNE 30, 1986 — 1.0%.~~

(A.1) AT THE CLOSE OF EACH DAY OF RACING, ALL CORPORATIONS
LICENSED TO CONDUCT HARNESS HORSE RACE MEETINGS OR THOROUGHBRED
HORSE RACE MEETINGS WHICH ANNUALLY CONDUCT AT LEAST 100 DAYS OF
RACING, OR WHEN TWO LICENSED CORPORATIONS CONDUCT THEIR RACE
MEETINGS AT THE SAME FACILITY AND BETWEEN THEM ANNUALLY CONDUCT
AT LEAST 175 DAYS OF RACING, WILL PAY OUT OF THE MONEYS RETAINED
ON THAT DAY UNDER SECTION 221, THROUGH THE DEPARTMENT OF REVENUE
FOR CREDIT TO THE STATE HORSE RACING FUND THE FOLLOWING TAXES
FOR THE TIME PERIODS STATED:

(1) FROM JANUARY 1, 1984 THROUGH JUNE 30, 1984 - 3.8%.

(2) FROM JULY 1, 1984 THROUGH JUNE 30, 1986 - 2.0%.

(3) AFTER JUNE 30, 1986 - 1.5%, EXCEPT AS PROVIDED IN
SUBSECTION (A.4).

* * *

(A.4) ANY CORPORATION WHICH DOES NOT HOLD A LICENSE UNDER
SECTION 209 ON THE EFFECTIVE DATE OF THIS ACT AND WHICH IS
GRANTED A LICENSE UNDER THIS ACT ON OR BEFORE JUNE 30, 1987,
SHALL BE SUBJECT TO PAYMENT OUT OF MONEYS RETAINED UNDER SECTION
221, THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE
HORSE RACING FUND, OF THE FOLLOWING TAX FOR THE TIME HEREAFTER
STATED: UNTIL JUNE 30, 1990 - 1.0%, AT WHICH TIME SAID LICENSEE

1 SHALL BE SUBJECT TO THE LAWFUL RATE THEN IN EFFECT UNDER
2 SUBSECTION (A.1)(3).

3 * * *

4 (D.1) AN AMOUNT EQUIVALENT TO [SEVEN-TENTHS OF] ONE PERCENT
5 OF THE AMOUNT WAGERED AT EACH RACING DAY AT THOROUGHBRED AND
6 HARNESS HORSE RACE MEETINGS AS SET FORTH IN SECTION 221(A)(4)
7 AND (5) SHALL BE PAID THROUGH THE DEPARTMENT OF REVENUE FOR
8 CREDIT TO THE STATE RACING FUND.

9 * * *

10 SECTION & 7. SECTIONS 223 AND 224 OF THE ACT, AMENDED
11 DECEMBER 30, 1983 (P.L.400, NO.93), ARE AMENDED TO READ:

<—

12 Section 223. Pennsylvania Breeding Fund.

13 (a) There is hereby created a restricted account in the
14 State Racing Fund to be known as the Pennsylvania Breeding Fund
15 which shall consist of the money appropriated under the
16 provisions of section 222 and which shall be administered by the
17 State Horse Racing Commission.

18 (b) After the deduction of expenses related to the
19 administration and development of the Pennsylvania Breeding Fund
20 program incurred by the Pennsylvania Horse Breeders'
21 Association, the State Horse Racing Commission shall, by rule or
22 regulation, provide for awards as follows:

23 (1) An award of 30% of the purse earned by every
24 registered Pennsylvania-bred thoroughbred horse sired by a
25 registered Pennsylvania sire at the time of conception of the
26 registered Pennsylvania-bred thoroughbred horse, or an award
27 of 20% of the purse earned by every registered Pennsylvania-
28 bred thoroughbred horse sired by a nonregistered sire, which
29 finishes first, second or third in any race conducted by a
30 licensed corporation under this act shall be paid to the

1 breeder of said registered Pennsylvania-bred thoroughbred
2 horse. A single award under this paragraph may not exceed 1%
3 of the total annual fund money.

4 (2) An award of 10% of the purse earned by any
5 Pennsylvania-bred thoroughbred horse which finishes first,
6 second or third in any race conducted by a licensed
7 corporation under this act shall be paid to the owner of the
8 registered Pennsylvania sire which regularly stood in
9 Pennsylvania at the time of conception of said Pennsylvania-
10 bred thoroughbred horse. A single award under this paragraph
11 may not exceed .5% of the total annual fund money.

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

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

1 thoroughbred horses.

2 (d) The fund moneys remaining following disbursements as
3 directed in subsection (b)(1), (2) and (3) and subsection (c)
4 shall be divided among the licensed corporations that conduct
5 thoroughbred horse race meetings in direct proportion to the
6 rate by which each licensed corporation generated the fund
7 moneys during the previous year to be used for purses as
8 follows:

9 (1) Claiming and nonclaiming Pennsylvania Breeding Fund
10 races which restrict entry to registered Pennsylvania-bred
11 thoroughbred horses.

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

18 (e) Those Pennsylvania Breeding Fund moneys due licensed
19 corporations as outlined in subsections (c) and (d) but not
20 expended during the calendar year may be carried forth in the
21 fund on the account of said licensed corporations to be expended
22 during the succeeding year in addition to said corporations'
23 fund moneys annually due them for purses.

24 (f) The Pennsylvania Breeding Fund Advisory Committee, under
25 the jurisdiction of the State Horse Racing Commission, is hereby
26 established and shall be part of the Pennsylvania State Horse
27 Racing Commission. The commission shall consist of five members,
28 all of whom shall be residents of Pennsylvania, to be appointed
29 by the commission by June 1 of each year. The committee shall
30 consist of two members of the Pennsylvania Horse Breeders'

1 Association, one member from the licensed corporations, one
2 member from the association representing horsemen racing in
3 Pennsylvania and one member of the commission. If any member
4 other than the commission member has not been recommended by
5 June 1 of each year, the commission shall make an appointment
6 for the organization failing to so recommend a member of the
7 committee. The committee shall assist and advise the commission
8 under the provisions of this act but shall have no power in
9 administering the fund. The members of the committee shall
10 receive no compensation for their services as members.

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

29 (a) There is hereby created a restricted account in the
30 State Racing Fund to be known as the Pennsylvania Sire Stakes

1 Fund which shall consist of the money appropriated under the
2 provisions of section 222, ~~and interest earned on that money,~~ <—
3 and which shall be administered by the State Harness Racing
4 Commission.

5 (b) [After] In the calendar year 1986 and thereafter, after
6 deduction of sufficient funds to cover the State Harness Racing
7 Commission's cost of administration, [85%] 80%, unless a smaller <—
8 percentage is necessary in order to comply with the minimum
9 dollar requirement of subsection (e), of all remaining moneys in
10 the Pennsylvania Sire Stakes Fund shall be divided [among the
11 licensed corporations that conduct harness horse race
12 meetings.], subject to the approval of the State Harness Racing
13 Commission, among the licensed corporations that conduct harness
14 horse race meetings. One-fifth of this amount shall be allocated
15 to each licensed corporation. If there is an excess of money due
16 to the restrictions imposed by this subsection, the amount not
17 allocated to licensed racing corporations shall remain in the
18 fund, together with the interest earned on that money,
19 notwithstanding the provisions of subsection (f). Each licensed
20 corporation shall divide the funds received equally for each of:

21 (1) four two-year-old races; one pace for colts, one
22 pace for fillies, one trot for colts and one trot for
23 fillies; and

24 (2) four three-year-old races; one pace for colts, one
25 pace for fillies, one trot for colts and one trot for
26 fillies.

27 (c) Each allotment shall provide purse money for the
28 respective races. The purse money shall be in addition to any
29 entry fees or other funds available.

30 (d) Entry for these races shall be limited to harness horses

1 which were sired by a standardbred stallion regularly standing
2 in Pennsylvania and each race shall be designated a Pennsylvania
3 sire stakes race. The State Harness Racing Commission shall make
4 the provisions and regulations as it shall deem necessary for
5 the proper administration of the entry restriction.

6 (e) The remaining moneys in the Pennsylvania Sire Stakes
7 Fund up to a total of and not exceeding \$20,000 for each
8 agricultural fair AND ONE OR TWO-DAY EVENTS AS DEFINED IN <—
9 HARNESS RACING COMMISSION REGULATIONS shall be divided equally
10 among those agricultural fairs AND ONE OR TWO-DAY EVENTS, NOT TO <—
11 EXCEED MORE THAN FIVE ONE OR TWO-DAY EVENTS PER YEAR AND AS
12 AUTHORIZED BY THE STATE HARNESS RACING COMMISSION, conducting
13 harness horse races for two-year-old and three-year-old harness
14 horses: Provided, however, That in no event shall less than
15 \$225,000 be allocated from the Pennsylvania Sire Stakes Fund and
16 be divided equally among those agricultural fairs AND ONE OR <—
17 TWO-DAY EVENTS conducting these races. Each fair OR ONE OR TWO- <—
18 DAY EVENTS receiving the funds shall divide the total amount
19 equally among all eligible races for two-year-old and three-
20 year-old harness horses and shall apply the funds solely as
21 additional purse funds. Only races to which entry is restricted
22 to Pennsylvania-sired horses shall be eligible. The State
23 Harness Racing Commission shall make the provisions and
24 regulations as it shall deem necessary for the proper
25 administration of [the eligibility restriction] ALL RACING <—
26 PROVIDED FOR IN THIS SUBSECTION.

27 (f) The fund moneys remaining following disbursements as
28 directed in paragraphs (1), (2) and (3) of subsection (b) and
29 subsections (c), (d) and (e) shall, except as provided in
30 subsection (b), be divided among active licensed corporations

1 that conduct harness horse race meetings under this act in
2 direct proportion to the rate by which each licensed corporation
3 generated the fund moneys during the previous year [to]. The
4 fund moneys so divided shall be used for purses as follows:

5 (1) Claiming and nonclaiming Pennsylvania Fund races
6 which restrict entry to registered Pennsylvania-sired harness
7 horses.

8 (2) Claiming and nonclaiming Pennsylvania Fund races
9 which prefer registered Pennsylvania-sired harness horses as
10 starters. In these races, should seven or more registered
11 Pennsylvania-sired harness horses pass the entry box, the
12 race shall be considered closed to horses other than
13 registered Pennsylvania-sired harness horses.

14 Section 4. ~~Section 9~~ 8. SECTIONS 225(B)(3) AND (4) AND 229 <—
15 of the act ~~is~~ ARE amended to read: <—

16 SECTION 225. PENNSYLVANIA FAIR FUND. <—

17 * * *

18 (B) THE SECRETARY OF AGRICULTURE SHALL DISTRIBUTE THE MONEYS
19 IN THE FAIR FUND, ANNUALLY, ON OR BEFORE MARCH 1 IN THE
20 FOLLOWING MANNER:

21 * * *

22 (3) FOR REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL
23 SOCIETY AND EACH INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING
24 HARNESS HORSE RACING DURING ITS ANNUAL FAIR OTHER THAN RACES
25 FOR TWO AND THREE-YEAR-OLD COLTS AND FILLIES WHICH RACES ARE
26 PROVIDED FOR IN PARAGRAPH (4), AN AMOUNT OF MONEY EQUAL TO
27 THAT USED DURING THEIR ANNUAL FAIR AS PURSE MONEY FOR HARNESS
28 HORSE RACING, TRACK AND STABLE MAINTENANCE, STARTING GATE
29 RENTAL AND THE COST OF ALL HARNESS HORSE RACING OFFICIALS
30 REQUIRED DURING THEIR ANNUAL FAIR, BUT NOT MORE THAN

1 [\$10,000] \$13,000, A MINIMUM OF [ONE-THIRD] \$4,000 OF WHICH
2 MUST BE USED FOR PURSE MONEY.

3 (4) FOR REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL
4 SOCIETY AND INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING RACES
5 FOR TWO AND THREE-YEAR-OLD COLTS AND FILLIES, AT THEIR ANNUAL
6 FAIR ON WHICH A MAXIMUM OF [\$5,600] \$7,600 WAS PAID ANNUALLY.
7 ENTRANCE FEES COLLECTED FOR EACH SUCH RACE SHALL NOT BE
8 INCLUDED WHEN COMPUTING THE AMOUNT DISTRIBUTED BY THE
9 SECRETARY OF AGRICULTURE UNDER THIS SUBSECTION.

10 * * *

11 Section 229. State horse racing veterinarians and State

12 ~~{steward}~~ ~~stewards~~.

13 (a) The State Horse Racing Commission shall appoint and
14 employ licensed veterinarians and ~~{a steward}~~ ~~stewards~~ to serve
15 as the horse racing veterinarians and State ~~{steward}~~ ~~stewards~~
16 for horse racing, respectively, at each meeting conducted by a
17 corporation licensed by the State Horse Racing Commission. The
18 State Horse Racing Commission shall have the authority to employ
19 other individuals as shall be necessary to carry out the
20 responsibilities of this section.

21 (b) The costs and compensation of the horse racing
22 veterinarians, State ~~{steward}~~ ~~stewards~~ and other individuals
23 employed shall be fixed and paid by the State Horse Racing
24 Commission.

25 (c) The State Horse Racing Commission shall establish a job
26 description and professional criteria for stewards to assure
27 that they have a working knowledge of the horse racing industry.

28 SECTION ~~10~~ 9. SECTION 234 OF THE ACT, AMENDED APRIL 18, 1985
29 (P.L.4, NO.3), IS AMENDED TO READ:

30 SECTION 234. SIMULCASTING.

1 [THE STATE HARNESS RACING COMMISSION MAY, UPON REQUEST FROM A
2 LICENSED CORPORATION, GRANT PERMISSION TO ANY CORPORATION TO
3 SIMULCAST INTRASTATE HARNESS RACING AT A FACILITY AT WHICH LESS
4 THAN 80 DAYS OF RACING WAS CONDUCTED IN THE PREVIOUS CALENDAR
5 YEAR. NEITHER THE RACING FACILITY OR LICENSED CORPORATION AT
6 SUCH FACILITY SHALL TRANSMIT ANY SIMULCAST SIGNAL TO ANY OTHER
7 RACING FACILITY. SIMULCASTS ARE TO BE OPERATED BY THE LICENSED
8 CORPORATION AT THE RACETRACK ENCLOSURE WHERE A HARNESS RACE
9 MEETING IS BEING CONDUCTED DURING, BETWEEN, BEFORE OR AFTER
10 POSTED RACES FOR THAT RACING DAY. NO MORE THAN 50% OF THE RACES
11 CONDUCTED EACH WEEK (MONDAY THROUGH SUNDAY) SHALL BE SIMULCAST.
12 ALL FORMS OF PARI-MUTUEL WAGERING DESCRIBED IN SECTION 221 SHALL
13 BE ALLOWED ON RACES TO BE TELEVISED BY SIMULCASTING UNDER THIS
14 SECTION. THE STATE HARNESS RACING COMMISSION MAY PROMULGATE
15 REGULATIONS ON WAGERING AND THE OPERATION OF THESE RACES. ALL
16 MONEY WAGERED BY PATRONS ON THESE RACES SHALL BE COMPUTED IN THE
17 AMOUNT OF MONEY WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION
18 UNDER SECTION 222.]

19 THE STATE HORSE RACING COMMISSION AND THE STATE HARNESS
20 RACING COMMISSION MAY PERMIT INTRASTATE SIMULCASTING BETWEEN TWO
21 LICENSED CORPORATIONS WHEN EACH SCHEDULES 95% OF THE RACING DAYS
22 IT INITIALLY SCHEDULED IN 1986 AND ~~95%~~ OF THE AVERAGE NUMBER OF <—
23 LIVE RACES PER RACE DAY SCHEDULED IN 1986 MUST BE EQUAL TO ~~95%~~ <—
24 90% OF THE AVERAGE NUMBER OF LIVE RACES CONDUCTED PER DAY IN
25 1985 SUBJECT TO ANY ACTIONS OR ACTIVITIES BEYOND THE CONTROL OF
26 THE LICENSEE AND AS TO EACH CORPORATION OR ANY CORPORATION
27 CONDUCTING RACING AT THE SAME LOCATION AS THE SENDING OR
28 RECEIVING RACETRACK SUCH INTRASTATE SIMULCASTING SHALL NOT BE
29 PERMITTED UNLESS EACH OR ANY CORPORATION SCHEDULES 95% OF THE
30 RACING DAYS INITIALLY SCHEDULED IN 1986 AND ~~95%~~ OF THE AVERAGE <—

1 NUMBER OF LIVE RACES PER RACE DAY SCHEDULED IN 1986 MUST BE
2 EQUAL TO ~~95%~~ 90% OF THE AVERAGE NUMBER OF LIVE RACES CONDUCTED <—
3 PER DAY AT THAT LOCATION IN 1985 SUBJECT TO ANY ACTIONS OR
4 ACTIVITIES BEYOND THE CONTROL OF THE LICENSEE AT THESE
5 LOCATIONS. FOR LICENSED CORPORATIONS THAT DID NOT SCHEDULE
6 RACING DAYS IN 1986 OR THEREAFTER THE RESPECTIVE COMMISSIONS MAY
7 PERMIT INTRASTATE SIMULCASTING WHEN THE LICENSED CORPORATION
8 SCHEDULES A MINIMUM OF ~~110~~ 80 RACING DAYS IN A CALENDAR YEAR. <—
9 FOR PURPOSES OF THIS SECTION, A RACING DAY SHALL CONSIST OF A
10 MINIMUM OF EIGHT LIVE RACES, EXCEPT AT THOROUGHBRED TRACKS ON
11 BREEDERS' CUP EVENT DAY. FOR ANY LICENSED RACING CORPORATION
12 ENGAGED IN SIMULCASTING, REGARDLESS OF LOCATION OR DISTANCE FROM
13 ANOTHER LICENSED RACING CORPORATION, PRIMARY OR NONPRIMARY
14 LOCATIONS, THERE SHALL EXIST A WRITTEN AGREEMENT WITH THE
15 HORSEMEN'S ORGANIZATION REPRESENTING A MAJORITY OF THE OWNERS
16 AND TRAINERS AT BOTH THE SENDING AND RECEIVING RACETRACKS. IF NO
17 AGREEMENT CAN BE REACHED, THEN THE LICENSED CORPORATION MAY
18 PETITION THE COURT OF COMMON PLEAS IN THE COUNTY IN WHICH THE
19 LICENSED CORPORATION RACETRACK IS LOCATED, WHICH MAY, UPON GOOD
20 CAUSE SHOWN BY THE LICENSED CORPORATION THAT FAILURE TO CONSENT
21 WOULD BE DETRIMENTAL TO THE PENNSYLVANIA RACING INDUSTRY, DIRECT
22 THE ORGANIZATION REPRESENTING THE HORSEMEN TO APPROVE THE
23 SIMULCAST AGREEMENT. THE RESPECTIVE COMMISSION MAY THEN
24 AUTHORIZE THE SIMULCASTING, IF, IN THE OPINION OF THE
25 APPROPRIATE COMMISSION, SUCH SIMULCASTING WILL HAVE SIGNIFICANT
26 VALUE TO THE PENNSYLVANIA RACING INDUSTRY. THE SIMULCAST SIGNAL
27 SHALL BE ENCODED AND THE TRACK ENCLOSURE RECEIVING THE SIMULCAST
28 SIGNAL SHALL NOT SEND THIS SIGNAL ANYWHERE ELSE WITHOUT
29 PERMISSION FROM THE SENDING TRACK. ALL FORMS OF PARI-MUTUEL
30 WAGERING DESCRIBED IN SECTION 221 SHALL BE ALLOWED ON RACES TO

1 BE TELEVISED BY SIMULCASTING UNDER THIS SECTION. THE STATE HORSE
2 RACING COMMISSION AND THE STATE HARNESS RACING COMMISSION MAY
3 PROMULGATE REGULATIONS ON WAGERING AND THE OPERATION OF THESE
4 RACES. ALL MONEY WAGERED BY PATRONS ON THESE RACES SHALL BE
5 COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
6 PURPOSES OF TAXATION UNDER SECTION 222. ANY CORPORATION THAT
7 DOES NOT SCHEDULE THE REQUIRED NUMBER OF RACING DAYS, AS SET
8 FORTH IN THIS SECTION, SHALL NOT BE PERMITTED TO SIMULCAST THE
9 FOLLOWING YEAR. IN THE EVENT THE SIMULCAST IS BETWEEN A
10 THOROUGHBRED RACETRACK AND A HARNESS RACETRACK, BOTH COMMISSIONS
11 SHALL HAVE JURISDICTION AND ANY APPROVAL REQUIRED HEREUNDER MUST
12 BE RECEIVED FROM BOTH COMMISSIONS: PROVIDED, HOWEVER, THAT IF NO
13 AGREEMENT CAN BE REACHED BETWEEN THE HORSEMEN'S ORGANIZATION
14 AFOREMENTIONED, THEN THE LICENSED CORPORATION MAY PETITION THE
15 COURT OF COMMON PLEAS IN THE COUNTY IN WHICH THE LICENSED
16 CORPORATION RACETRACK IS LOCATED, WHICH MAY, UPON GOOD CAUSE
17 SHOWN BY THE LICENSED CORPORATION THAT FAILURE TO CONSENT WOULD
18 BE DETRIMENTAL TO THE PENNSYLVANIA RACING INDUSTRY, DIRECT THE
19 ORGANIZATION REPRESENTING THE HORSEMEN TO APPROVE THE SIMULCAST
20 AGREEMENT. THE RESPECTIVE COMMISSIONS MAY THEN AUTHORIZE THE
21 SIMULCASTING IF IN THE OPINIONS OF THE RESPECTIVE COMMISSION,
22 SUCH SIMULCASTING WILL HAVE A SIGNIFICANT VALUE TO THE
23 PENNSYLVANIA RACING INDUSTRY.

24 Section ~~5-11~~ 10. The act is amended by adding sections to <—
25 read:

26 Section 235. Commingling.

27 (a) This section shall be applicable only to licensed
28 thoroughbred racing corporations.

29 (b) The race secretary shall receive entries and
30 declarations as an agent for the licensed corporation for which

1 the race secretary acts. The race secretary or an individual
2 designated by the licensed corporation may receive stakes,
3 forfeits, entrance money, jockey's and other fees, purchase
4 money in claiming races and other money that can properly come
5 into his possession as an agent for the licensed corporation for
6 which the race secretary or designee is acting.

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

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

(d) A licensed corporation shall designate a bookkeeper who is authorized to receive and disburse funds from the Horsemen's Account. The bookkeeper must be bonded to provide indemnity for malfeasance, nonfeasance and misfeasance. A certified copy of the bond shall be filed with the commission.

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

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

(g) Fifty percent of the money earned as interest on funds in the Horsemen's Account shall be paid to the organization which represents a majority of the owners and trainers racing with the licensed corporation on a weekly basis. This amount shall be for the benefit of the horsemen as determined by the

organization which represents the majority of the owners and
trainers racing with the licensed corporation. The remaining 50%
of the interest earned shall be for the benefit of the licensed
corporation which shall have the responsibility to fund all
costs associated with the administration of the fund. Interest
each month must be earned in an amount equal to the Federal
Reserve Discount Rate on the first day of the month.

Section 236. Harness racing purse moneys.

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

SECTION 237. LIMITATIONS ON DAY AND NIGHT RACING.

(A) FOR THE PURPOSE OF THIS SECTION, DAY RACING SHALL BE
RACING DAYS FOR WHICH THE STARTING TIME FOR THE FIRST RACE IS AT
OR BEFORE 2:00 P.M. AND NIGHT RACING SHALL BE RACING DAYS FOR
WHICH THE STARTING TIME FOR THE FIRST RACE IS AFTER 5:00 P.M.
DAY RACING MAY NOT BE CONDUCTED AT ANY RACING FACILITY AFTER
1985 ON ANY COMPARABLE RACING DAY OR HOLIDAY ON WHICH DAY RACING
WAS NOT CONDUCTED IN 1985 UNLESS ALL PRESENTLY OPERATING
LICENSED CORPORATIONS CONDUCTING DAY RACING AGREE, IN WRITING,
TO ALLOW SUCH DAY RACING ACTIVITIES.

(B) NIGHT RACING MAY NOT BE CONDUCTED AT ANY RACING FACILITY
AFTER 1985 ON ANY COMPARABLE-TYPE RACING NIGHT OR HOLIDAY ON
WHICH NIGHT RACING WAS NOT CONDUCTED IN 1985 UNLESS ALL
PRESENTLY OPERATING RACING FACILITIES CONDUCTING NIGHT RACING

1 AGREE, IN WRITING, TO ALLOW NIGHT RACING ACTIVITIES.

2 (C) EACH APPROPRIATE COMMISSION SHALL HAVE THE AUTHORITY TO
3 GRANT EXCEPTIONS TO THIS SECTION UPON APPLICATION BY A LICENSED
4 RACING CORPORATION FOR NOT MORE THAN FIVE RACING DAYS PER
5 CALENDAR YEAR WITH RESPECT TO EACH LICENSED CORPORATION. THE
6 PROVISIONS OF THIS SECTION SHALL BE EFFECTIVE UNTIL JULY 1,
7 1991.

8 Section ~~6-12~~ 11. Section 302 of the act is amended to read: <—

9 Section 302. Establishment of the Pennsylvania Race Horse

10 Testing [Laboratory] PROGRAM. <—

11 (a) There is hereby established the Pennsylvania Race Horse
12 Testing [Laboratory] PROGRAM. The [laboratory] PROGRAM shall be <—

13 administered by a management committee composed of the two

14 chairpersons of the commissions and the Secretary of

15 Agriculture. The [laboratory] PROGRAM is placed in and made a <—

16 part of the Department of Agriculture. All costs of the

17 [laboratory] PROGRAM shall be paid by the commissions. ~~The~~ <—

18 ~~commissions shall equally fund a contracted performance audit of~~

19 ~~the laboratory to be conducted by a nongovernmental entity with~~

20 ~~documented expertise to accurately evaluate the laboratory and~~

21 ~~formulate recommendations on staffing, equipment and service.~~

22 ~~The audit shall be completed by July 1, 1987. Copies of the~~

23 ~~audit shall be submitted to the Governor, the President pro~~

24 ~~tempore of the Senate, the Speaker of the House of~~

25 ~~Representatives and the members of the State Government~~

26 ~~Committees of the Senate and the House of Representatives.~~ [The] <—

27 SUBJECT TO ALL PROVISIONS OF THE ACT OF APRIL 9, 1929 (P.L.177, <—

28 NO.175), KNOWN AS "THE ADMINISTRATIVE CODE OF 1929," THAT APPLY

29 TO THE DEPARTMENT, THE management committee shall appoint and

30 direct all personnel AS NECESSARY, establish a facility OR <—

1 CONTRACT FOR THE PROVISION OF TESTING SERVICES, acquire all
2 necessary equipment and supplies and adopt all necessary
3 procedures.

4 (b) The purposes of the Pennsylvania Race Horse Testing
5 [Laboratory] PROGRAM are to analyze samples for the presence in <—
6 race horses of any medication, to develop techniques, equipment
7 and procedures, to collect and test for the presence of
8 medication in race horses, to ascertain permitted tolerance
9 levels or therapeutic dose allowances for medication, to offer
10 consultation and advice to the public on all issues regarding
11 the medication of race horses and to conduct research in
12 medication issues involving race horses.

13 (C) IN ORDER TO EVALUATE THE EFFECTIVENESS OF TESTING <—
14 SERVICES PERFORMED BY PERSONNEL OF THE DEPARTMENT OF AGRICULTURE
15 AND DETERMINE WHETHER THE MANNER IN WHICH THESE SERVICES ARE
16 PROVIDED, THE TESTS UTILIZED AND TOLERANCE LEVELS PERMITTED
17 SHOULD BE MODIFIED, THE COMMISSIONS SHALL EQUALLY FUND A
18 CONTRACTED EVALUATION OF EXISTING LABORATORY SERVICES TO BE
19 CONDUCTED BY A NONGOVERNMENTAL ENTITY WITH DOCUMENTED EXPERTISE
20 TO ACCURATELY EVALUATE EXISTING LABORATORY SERVICES AND
21 FORMULATE RECOMMENDATIONS FOR IMPROVEMENT OF THE TESTING
22 PROGRAM. UPON REVIEW OF THE EVALUATION RESULTS, THE DEPARTMENT
23 MAY IMPLEMENT IN CONSULTATION WITH THE MANAGEMENT COMMITTEE A
24 PROGRAM TO IMPROVE LABORATORY SERVICES INCLUDING, IF NECESSARY
25 AND APPROPRIATE, THE SELECTION OF A CONTRACTOR OR CONTRACTORS TO
26 PROVIDE TESTING SERVICES. THIS STUDY SHALL BE COMPLETED ON OR
27 BEFORE JANUARY 1, 1987, AND COPIES PROVIDED TO THE GOVERNOR, THE
28 PRESIDENT PRO TEMPORE OF THE SENATE, THE SPEAKER OF THE HOUSE OF
29 REPRESENTATIVES AND THE MEMBERS OF THE STATE GOVERNMENT
30 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES WITHIN

1 15 WORKING DAYS.

2 Section ~~7-13~~ 12. The State Horse Racing Commission and the <—
3 State Harness Racing Commission shall, by regulation, adjust
4 license fee schedules to reflect the three-year terms under
5 section 2 of this act. Under these regulations, licensees who
6 have their licenses revoked and suspended shall not be eligible
7 for complete or proportionate refund of the license fees. All
8 other fees in effect on the effective date of this act, and not
9 inconsistent with this act, shall remain in effect until
10 repealed or amended in the manner provided by law.

11 Section ~~7-14~~ 13. Each rule and regulation of a commission in <—
12 effect on the effective date of this act shall remain in effect
13 after such date until amended by the commission, provided that
14 the commission shall immediately initiate the repeal or
15 amendment of any rule or regulation which is inconsistent with
16 the provisions of this act.

17 Section ~~8-15~~ 14. The presently confirmed members of the <—
18 State Horse Racing Commission and the State Harness Racing
19 Commission, as of the effective date of this act, shall continue
20 to serve as commission members until their present terms of
21 office expire, provided that any present member whose term has
22 expired on or before the effective date of this act shall serve
23 until a successor has been appointed and qualified, but no
24 longer than six months after the effective date of this act.

25 Section ~~9-16~~ 15. This act, with respect to the State Horse <—
26 Racing Commission and the State Harness Racing Commission,
27 constitutes the legislation required to reestablish an agency
28 under the act of December 22, 1981 (P.L.508, No.142), known as
29 the Sunset Act.

30 Section ~~10-17~~ 16. The single-agency requirement of section <—

1 7(a)(2) of the act of December 22, 1981 (P.L.508, No.142), known
2 as the Sunset Act, does not apply to this act.

3 ~~Section 11. (a) Section 5 (section 235(a) through (e))~~ <—
4 ~~shall take effect in six months.~~

5 ~~(b) The remainder of this act shall take effect in 60 days.~~

6 SECTION 17. THIS SECTION AND SECTIONS 13, 14, 15 AND 16 OF <—
7 THIS ACT SHALL BE RETROACTIVE TO APRIL 30, 1986.

8 SECTION ~~18-17~~ 18. (A) THIS SECTION AND SECTIONS 207(B)(3), <—
9 222, 224 AND 225(B)(3) AND (4) SHALL TAKE EFFECT IMMEDIATELY.

10 (B) SECTION 235(A) THROUGH (E) SHALL TAKE EFFECT IN SIX
11 MONTHS.

12 (C) SECTIONS 13, 14, 15, 16 AND 17 OF THIS ACT SHALL TAKE <—
13 EFFECT APRIL 30, 1986, OR IMMEDIATELY, WHICHEVER IS LATER.

14 ~~(C)~~ (D) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60 <—
15 DAYS.