

RACE HORSE INDUSTRY REFORM ACT - AMEND

Act of Jun. 7, 1993, P.L. 86, No. 18

Cl. 04

Session of 1993

No. 1993-18

SB 507

AN ACT

Amending the act of December 17, 1981 (P.L.435, No.135), entitled "An act providing for the regulation of pari-mutuel thoroughbred horse racing and harness horse racing activities; imposing certain taxes and providing for the disposition of funds from pari-mutuel tickets," further providing for general powers of the commission, for the Pennsylvania Sire Stakes Fund and for simulcasting of horse races.

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

Section 1. Section 202 of the act of December 17, 1981 (P.L.435, No.135), known as the Race Horse Industry Reform Act, is amended by adding a subsection to read:

Section 202. General powers of the commissions.

\* \* \*

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

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

**Section 216.1. Televised international and interstate simulcastings of horse races.**

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

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

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

(3) which, subject to actions or activities beyond the control of the licensee, conduct not less than eight live races per race date during each meet at the facility where the licensed corporation conducts racing dates, except for thoroughbred tracks on the day designated as Breeder's Cup Event Day, when the facility shall hold a minimum of five live races.

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

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

(c) All moneys wagered by patrons in this Commonwealth on these horse races shall be computed in the amount of money wagered each racing day for purposes of taxation under section 222 and all thoroughbred races shall be considered a part of a thoroughbred horse race meeting and all harness races shall be considered a part of a harness horse race meeting for purposes of section 222(b)(5).

Section 3. Section 224(b), (e) and (f) of the act, amended May 16, 1986 (P.L.205, No.63), are amended to read:  
Section 224. Pennsylvania Sire Stakes Fund.

\* \* \*

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

(b) Sixty percent of the money remaining in the excess fund account of the Pennsylvania Sire Stakes Fund at the end of the calendar year in which this subsection is enacted shall be distributed to licensed corporations that conduct harness horse race meetings to be used in the next succeeding calendar year as purse money for Pennsylvania-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 race meetings to be used in the next succeeding calendar year

following the next succeeding calendar year as purse money for Pennsylvania-sired horses. After deduction of sufficient funds to cover the State Harness Racing Commission's cost of administration, 80%, unless a smaller percentage is necessary in order to comply with the minimum dollar requirement of subsection (e), of all remaining moneys in the Pennsylvania Sire Stakes Fund at the end of the calendar year shall be distributed to licensed corporations that conduct harness horse race meetings to be used as purse money for Pennsylvania-sired horses. The State Harness Racing Commission 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 race meetings. The State Harness Racing Commission shall allocate the moneys to these championship final races in an equal amount for each sex, age and gait for two- and three-year-old trotters and pacers. The State Harness Racing Commission 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 State Harness Racing Commission 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 race meetings shall be divided equally among the licensed corporations. Each licensed corporation shall divide the funds received equally for each of:

- (1) four two-year-old races; one pace for colts, one pace for fillies, one trot for colts and one trot for fillies; and
- (2) four three-year-old races; one pace for colts, one pace for fillies, one trot for colts and one trot for fillies.

\* \* \*

(e) The remaining moneys in the Pennsylvania Sire Stakes Fund up to a total of and not exceeding [\$20,000] **\$25,000** for each agricultural fair and one- or two-day events as defined in harness racing commission regulations shall be divided equally among those agricultural fairs and one- or two-day events, not to exceed more than five one- or two-day events per year and as authorized by the State Harness Racing Commission, provided that no more than two one-day or two-day events per county are authorized unless, after a date established by the commission, all five of the events have not been allocated, conducting harness horse races for two-year-old and three-year-old harness horses: Provided, however, That in no event shall less than \$225,000 be allocated from the Pennsylvania Sire Stakes Fund and be divided equally among those agricultural fairs and one- or two-day events conducting these races. Each fair or one- or two-day events receiving the funds shall divide the total amount equally among all eligible races for two-year-old and three-year-old harness horses and shall apply the funds solely as additional purse funds. Only races to which entry is restricted to Pennsylvania-sired horses shall be eligible. The State Harness Racing Commission shall make the provisions and regulations as it shall deem necessary for the proper administration of all racing provided for in this subsection[.], **including, but not limited to, portable stall rentals at one-day or two-day events.**

(f) The fund moneys remaining following disbursements as directed in [paragraphs (1), (2) and (3) of subsection (b) and subsections] **subsections (b), (c), (d) and (e)** shall, except as provided in subsection (b), be divided among active licensed corporations that conduct harness horse race meetings under this act in direct proportion to the rate by which each licensed corporation generated the fund moneys during the previous year. The fund moneys so divided shall be used for purses as follows:

(1) [Claiming] **A minimum of four races, claiming and nonclaiming, shall be carded per week on the condition sheet for overnight claiming** and nonclaiming Pennsylvania Fund races which restrict entry to registered Pennsylvania-sired **or wholly Pennsylvania-owned** harness horses.

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

Section 4. (4 repealed June 18, 1998, P.L.511, No.71)

Section 5. This act shall take effect immediately.

APPROVED--The 7th day of June, A. D. 1993.

ROBERT P. CASEY