

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1930 Session of
1987

INTRODUCED BY TRELLO, SEVENTY AND GLADECK, NOVEMBER 10, 1987

REFERRED TO COMMITTEE ON STATE GOVERNMENT, NOVEMBER 10, 1987

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 nonprimary location wagering.

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

9 Section 1. Section 102 of the act of December 17, 1981
10 (P.L.435, No.135), known as the Race Horse Industry Reform Act,
11 is amended by adding a definition to read:

12 Section 102. Definitions.

13 The following words and phrases when used in this act shall
14 have, unless the context clearly indicates otherwise, the
15 meanings given to them in this section:

16 * * *

17 "Racetrack enclosure." For purposes of this act, the term
18 "racetrack enclosure" with respect to each licensed corporation
19 shall be deemed to include at least one primary racetrack

location at which horse race meetings authorized to be held by
the licensed corporation are conducted, and all primary,
nonprimary, contiguous and noncontiguous locations of the
licensed corporation which are specifically approved by the
appropriate commission for conducting the pari-mutuel system of
wagering on the results of horse races held at such meetings or
race meetings conducted by another licensed corporation or
televised to such locations by simulcasting.

* * *

Section 2. Section 218 of the act is amended by adding
subsections to read:

Section 218. Place and manner of conducting pari-mutuel
wagering.

* * *

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

(g) Notwithstanding any other provisions of this act to the
contrary, upon approval by the appropriate commission, a
licensed corporation may establish one or more nonprimary
locations at which it may conduct pari-mutual wagering on horse
races conducted by such licensed corporation or another licensed
corporation, which horse races may be televised to the
locations, or on horse races simulcast to the locations pursuant
to section 216, provided that:

(1) No licensed corporation may establish nonprimary
locations within the primary market area as set forth in
subsection (e) of any racetrack other than a racetrack at

1 which the licensed corporation conducts race meetings.
2 Establishment of a nonprimary location by a licensed
3 corporation within the primary market area of a racetrack at
4 which the licensed corporation conducts race meetings shall
5 require approval of the commission regulating the activities
6 of such licensed corporation.

7 (2) Any licensed corporation may establish a nonprimary
8 location within the secondary market area of a racetrack as
9 set forth in subsection (f), provided that the nonprimary
10 location is approved by both the Harness Racing Commission
11 and the Thoroughbred Racing Commission.

12 (3) Any licensed corporation may establish a nonprimary
13 location in areas outside the primary and secondary market
14 areas of any racetrack, provided that the location is
15 approved by the commission which regulates the activities of
16 the licensed corporation establishing the location.

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

26 (5) The commission shall not give final approval to
27 establish a nonprimary location until the licensed
28 corporation seeking approval has submitted to the appropriate
29 commission a statement in a form prescribed by the commission
30 which specifies, among other information, the site of the

1 proposed location and a plan of the facility. In determining
2 whether to approve a nonprimary location the appropriate
3 commission shall consider factors which may include, but are
4 not limited to, the purposes and provisions of this act, the
5 public interest, convenience and necessity, and the impact,
6 if any, of a proposed nonprimary location outside a primary
7 market area on racing within the nearest primary market area.

8 (6) (i) Moneys wagered at all primary and nonprimary
9 locations pursuant to this act shall be included in
10 common pari-mutuel pools. The licensed corporation
11 conducting the race meeting and maintaining the pari-
12 mutuel pools shall maintain accurate records of the
13 amount wagered in each pool from every primary and
14 nonprimary location.

15 (ii) The retained moneys as provided for in section
16 222(e) shall be calculated for each location where pari-
17 mutuel wagering is being conducted. If wagering has taken
18 place at a nonprimary location where the wagering is
19 conducted by a licensed corporation other than the
20 licensed corporation conducting the race meeting, the
21 licensed corporation conducting the race meeting shall
22 retain any moneys to which it is entitled by agreement
23 between such licensed corporations and shall pay over the
24 balance of the retained moneys to the licensed
25 corporation conducting the wagering at the nonprimary
26 location.

27 (7) (i) A licensed corporation conducting a race
28 meeting on which pari-mutuel wagering is conducted at one
29 or more nonprimary locations shall distribute to the
30 horsemen's organization representing a majority of owners

1 and trainers at its racetrack, or in accordance with the
2 practice of the parties, to be used for payment of purses
3 at that racetrack, an amount equal to 6% of the daily
4 gross wagering handle on such races at a nonprimary
5 location: Provided, however, That when the gross
6 wagering handle on such races at any such nonprimary
7 location on a given day is less than \$30,000, the above-
8 referenced percentage shall be 3% and when the gross
9 wagering handle on such races at any such nonprimary
10 location on a given day is between \$30,000 and \$100,000
11 inclusive, the above-referenced percentage shall be
12 4.75%: And provided further, That whenever a nonprimary
13 location is within the primary market area of a licensed
14 corporation other than the licensed corporation
15 conducting such races, the applicable percentage shall be
16 distributed one-half to the horsemen's organization
17 representing a majority of owners and trainers at the
18 racetrack, or in accordance with the practice of the
19 parties, where the race meeting is being conducted to be
20 used for the payment of purses at that racetrack and one-
21 half to such horsemen's organization, or in accordance
22 with the practice of the parties, at the racetrack within
23 the primary market area to be used for the payment of
24 purses at that racetrack.

25 (ii) Notwithstanding subclause (i), or any other
26 provision in this act to the contrary, a nonprimary
27 location may be established within the primary market
28 area of a racetrack by agreement between the licensed
29 corporation and the horsemen's organization representing
30 a majority of the owners and trainers at that racetrack,

1 or in accordance with the practice of the parties,
2 specifying the total percentage of handle wagered at such
3 nonprimary location to be distributed to that horsemen's
4 organization, or in accordance with the practice of the
5 parties, to be used for the payment of purses at that
6 racetrack. If no such agreement is reached covering such
7 locations, the total percentage to be paid for purses
8 pursuant to this clause shall be the same as that applied
9 to on-track wagering at the racetrack located within the
10 primary market area.

11 Section 3. This act shall take effect in 60 days.