

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 507 Session of
1993INTRODUCED BY LINCOLN, SHUMAKER, FISHER, STEWART, MUSTO AND
LYNCH, FEBRUARY 19, 1993AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF
REPRESENTATIVES, AS AMENDED, APRIL 27, 1993

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 GENERAL POWERS OF THE COMMISSION, FOR THE <—
7 PENNSYLVANIA SIRE STAKES FUND, for simulcasting of horse
8 races AND FOR NONPRIMARY LOCATION WAGERING. <—

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

11 ~~Section 1. Section 216 of the act of December 17, 1981~~ <—
12 ~~(P.L.435, No.135), known as the Race Horse Industry Reform Act,~~
13 ~~amended December 21, 1984 (P.L.1225, No.232), is amended to~~
14 ~~read:~~

15 SECTION 1. SECTION 102 OF THE ACT OF DECEMBER 17, 1981 <—
16 (P.L.435, NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM ACT,
17 IS AMENDED BY ADDING A DEFINITION TO READ:

18 SECTION 102. DEFINITIONS.

19 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
20 HAVE, UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, THE

1 MEANINGS GIVEN TO THEM IN THIS SECTION:

2 * * *

3 "MUNICIPALITY." A CITY, BOROUGH, INCORPORATED TOWN OR
4 TOWNSHIP OR A HOME RULE MUNICIPALITY FORMERLY CLASSIFIED AS A
5 CITY, BOROUGH, INCORPORATED TOWN OR TOWNSHIP.

6 * * *

7 SECTION 2. SECTION 202 OF THE ACT IS AMENDED BY ADDING A
8 SUBSECTION TO READ:

9 SECTION 202. GENERAL POWERS OF THE COMMISSIONS.

10 * * *

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

18 SECTION 3. SECTION 216 OF THE ACT, AMENDED DECEMBER 21, 1984
19 (P.L.1225, NO.232), IS AMENDED TO READ:

20 Section 216. [Interstate] Televised international and
21 interstate simulcastings of horse races.

22 (a) Each commission may, upon request by [any] a licensed
23 corporation, grant permission [for electronically televised
24 simulcasts of horse races to be operated by the licensed
25 corporation at the race track enclosure where a horse race
26 meeting is being conducted during, between, before or after
27 posted races for that racing day. The posted races for that
28 racing day shall include a minimum of eight live races, except,
29 at thoroughbred tracks on the one day designated as Breeders'
30 Cup Event Day, there shall be a minimum of five live races. The

1 simulcasts shall be limited to horse races conducted at
2 facilities outside this Commonwealth and televised to race track
3 enclosures within this Commonwealth. The simulcasts shall also
4 be limited to thoroughbred races designated as Grade I stakes,
5 or the international equivalent thereto, with purses of at least
6 \$100,000; standard bred races with purses of at least \$100,000;
7 and other stakes races which have, in the opinion of the
8 appropriate commission, significant value to the Pennsylvania
9 racing industry.] to maintain common pari-mutuel pools on
10 international and interstate races transmitted to and from the
11 racetrack enclosures within this Commonwealth, such licensed
12 corporation to be designated as the "host licensee." The
13 permission to act as host licensee for international and
14 interstate simulcast races shall be limited to licensed
15 corporations:

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

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

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

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

6 (b) Cross simulcasting of the [aforementioned] races
7 described in subsection (a) shall be permitted [as long as the
8 particular race is available to all race tracks in the
9 Commonwealth which are operating live racing that day.] if all
10 amounts wagered on the races in this Commonwealth are included
11 in common pari-mutuel pools. A host licensee seeking permission
12 to cross simulcast must obtain approval from both the State
13 Harness Racing Commission and the State Horse Racing Commission.
14 All simulcasts of horse races [from outside this Commonwealth]
15 shall also comply with the provisions of the Interstate Horse
16 Racing Act of 1978, 92 Stat. 1811, 15 USC 3001 et seq. All forms
17 of pari-mutuel wagering as described under section 221 shall be
18 allowed on horse races to be televised by simulcasting. Each
19 commission may permit pari-mutuel pools in this Commonwealth to
20 be combined with pari-mutuel pools created under the laws of
21 another jurisdiction and may permit pari-mutuel pools created
22 under the laws of another jurisdiction to be combined with pari-
23 mutuel pools in this Commonwealth. Each commission may
24 promulgate rules or regulations to regulate [the wagering and
25 the operation of these horse races.] wagering on televised
26 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 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 4. THE ACT IS AMENDED BY ADDING A SECTION TO READ: <—
SECTION 218-B. APPROVAL BY COMMISSIONS; LOCAL OPTION REFERENDUM REQUIRED.

(A) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS ACT TO THE CONTRARY, THE COMMISSIONS MAY NOT APPROVE THE ESTABLISHMENT OF ANY NONPRIMARY LOCATION BY A LICENSED CORPORATION IN ANY MUNICIPALITY THAT HAS NOT APPROVED THE ESTABLISHMENT OF THE NONPRIMARY LOCATION BY AN AFFIRMATIVE VOTE IN A REFERENDUM AT A MUNICIPAL ELECTION IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

(B) IN ANY MUNICIPALITY, AN ELECTION MAY BE HELD ON THE DATE OF THE PRIMARY ELECTION IMMEDIATELY PRECEDING ANY MUNICIPAL ELECTION, BUT NOT MORE THAN ONCE IN FOUR YEARS, TO DETERMINE THE WILL OF THE ELECTORS WITH RESPECT TO THE ESTABLISHMENT OF A NONPRIMARY LOCATION WITHIN THE LIMITS OF SUCH MUNICIPALITY UNDER THE PROVISIONS OF THIS ACT. WHERE AN ELECTION SHALL HAVE BEEN HELD AT THE PRIMARY ELECTION PRECEDING A MUNICIPAL ELECTION IN ANY YEAR, ANOTHER ELECTION MAY BE HELD UNDER THE PROVISIONS OF THIS ACT AT THE PRIMARY ELECTION OCCURRING THE FOURTH YEAR AFTER THE PRIOR ELECTION. WHENEVER ELECTORS EQUAL TO AT LEAST 25% OF THE HIGHEST VOTE CAST FOR ANY OFFICE IN THE MUNICIPALITY AT THE LAST PRECEDING GENERAL ELECTION SHALL FILE A PETITION WITH THE COUNTY BOARD OF ELECTIONS OF THE COUNTY, OR THE GOVERNING BODY OF THE MUNICIPALITY ADOPTS, BY A MAJORITY VOTE, A RESOLUTION TO PLACE THE QUESTION ON THE BALLOT AND A COPY OF THE RESOLUTION IS FILED WITH THE BOARD OF ELECTIONS OF THE COUNTY, FOR A REFERENDUM ON THE QUESTION OF ISSUING LICENSES, THE COUNTY BOARD

OF ELECTIONS SHALL CAUSE A QUESTION TO BE PLACED ON THE BALLOT
OR ON THE VOTING MACHINE BOARD AND SUBMITTED AT THE PRIMARY
ELECTION IMMEDIATELY PRECEDING THE MUNICIPAL ELECTION. THE
QUESTION SHALL BE IN THE FOLLOWING FORM:

DO YOU FAVOR THE ESTABLISHMENT OF AN OFF-TRACK BETTING
PARLOR IN THE _____ OF _____ ?

(C) IF A MAJORITY OF THE ELECTORS VOTING ON THE QUESTION
VOTE "YES," THEN THE APPROPRIATE COMMISSION MAY APPROVE THE
ESTABLISHMENT OF A NONPRIMARY LOCATION IN THE MUNICIPALITY, BUT
IF A MAJORITY OF THE ELECTORS VOTING ON THE QUESTION VOTE "NO,"
THEN THE COMMISSION SHALL NOT APPROVE THE ESTABLISHMENT OF A
NONPRIMARY LOCATION OR SHALL REVOKE ITS PRIOR APPROVAL OF THE
ESTABLISHMENT OF A NONPRIMARY LOCATION, AS THE CASE MAY BE,
UNLESS AND UNTIL, AT A LATER ELECTION, A MAJORITY OF THE VOTING
ELECTORS VOTE "YES" ON THE QUESTION.

(D) PROCEEDINGS UNDER THIS SECTION SHALL BE IN ACCORDANCE
WITH THE PROVISIONS OF THE ACT OF JUNE 3, 1937 (P.L.1333,
NO.320), KNOWN AS THE "PENNSYLVANIA ELECTION CODE."

(E) THIS SECTION SHALL ONLY APPLY TO THE COMMISSIONS'
APPROVAL OR WITHDRAWAL OF APPROVAL OF THE ESTABLISHMENT OF
NONPRIMARY LOCATIONS THAT HAVE NOT BEEN APPROVED PRIOR TO APRIL
1, 1993.

(F) THE REFERENDUM PROCEDURE CONTAINED IN THIS SECTION SHALL
ALSO BE AVAILABLE TO WITHDRAW THE APPROVAL OF THE ESTABLISHMENT
OR CONTINUED OPERATION OF A NONPRIMARY LOCATION.

(G) THIS SECTION SHALL APPLY ONLY TO NONPRIMARY LOCATIONS
NOT SEPARATED BY AT LEAST 1,000 FEET FROM A PARCEL WHICH IS
INCLUDED IN WHOLE OR IN PART, IN A RESIDENTIAL OR RECREATIONAL
ZONE DISTRICT OR UPON WHICH IS LOCATED A CHURCH, SCHOOL, PUBLIC
BUILDING, PLAYGROUND OR PARK.

SECTION 5. 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

1 IN THE NEXT SUCCEEDING CALENDAR YEAR FOLLOWING THE NEXT
2 SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-SIRED
3 HORSES. AFTER DEDUCTION OF SUFFICIENT FUNDS TO COVER THE STATE
4 HARNESS RACING COMMISSION'S COST OF ADMINISTRATION 80%, UNLESS A
5 SMALLER PERCENTAGE IS NECESSARY IN ORDER TO COMPLY WITH THE
6 MINIMUM DOLLAR REQUIREMENT OF SUBSECTION (E), OF ALL REMAINING
7 MONEYS IN THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
8 CALENDAR YEAR SHALL BE DISTRIBUTED TO LICENSED CORPORATIONS THAT
9 CONDUCT HARNESS HORSE RACE MEETINGS TO BE USED AS PURSE MONEY
10 FOR PENNSYLVANIA-SIRED HORSES. THE STATE HARNESS RACING
11 COMMISSION MAY THEN ALLOCATE UP TO A TOTAL OF AND NOT EXCEEDING
12 40% OF THE TOTAL AMOUNT TO BE DISTRIBUTED TO LICENSED
13 CORPORATIONS IN A CALENDAR YEAR FOR USE FOR A SERIES OF
14 CHAMPIONSHIP FINAL RACES AT THE RACE TRACKS OF LICENSED
15 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS. THE STATE
16 HARNESS RACING COMMISSION SHALL ALLOCATE THE MONEYS TO THESE
17 CHAMPIONSHIP FINAL RACES IN AN EQUAL AMOUNT FOR EACH SEX, AGE
18 AND GAIT FOR TWO- AND THREE-YEAR-OLD TROTTERS AND PACERS. THE
19 STATE HARNESS RACING COMMISSION SHALL DETERMINE CONDITIONS
20 ESTABLISHING ELIGIBILITY TO THESE FINAL EVENTS. NO PARI-MUTUEL
21 HARNESS TRACK SHALL BE AWARDED MORE THAN 50% OF THE CHAMPIONSHIP
22 FINAL RACES IN ANY CALENDAR YEAR. THE STATE HARNESS RACING
23 COMMISSION SHALL SCHEDULE THESE FINAL EVENTS SO AS TO EVENLY
24 ALTERNATE CLASSES AT EACH RACE TRACK EACH YEAR. AFTER THE
25 ALLOCATION FOR THE CHAMPIONSHIP FINAL RACES HAS BEEN DETERMINED
26 THE REMAINING FUNDS TO BE DISTRIBUTED TO LICENSED CORPORATIONS
27 THAT CONDUCT HARNESS HORSE RACE MEETINGS SHALL BE DIVIDED
28 EQUALLY AMONG THE LICENSED CORPORATIONS. EACH LICENSED
29 CORPORATION SHALL DIVIDE THE FUNDS RECEIVED EQUALLY FOR EACH OF:

30 (1) FOUR TWO-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE

1 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
2 FILLIES; AND

3 (2) FOUR THREE-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
4 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
5 FILLIES.

6 * * *

7 (E) THE REMAINING MONEYS IN THE PENNSYLVANIA SIRE STAKES
8 FUND UP TO A TOTAL OF AND NOT EXCEEDING [\$20,000] \$25,000 FOR
9 EACH AGRICULTURAL FAIR AND ONE- OR TWO-DAY EVENTS AS DEFINED IN
10 HARNESS RACING COMMISSION REGULATIONS SHALL BE DIVIDED EQUALLY
11 AMONG THOSE AGRICULTURAL FAIRS AND ONE- OR TWO-DAY EVENTS, NOT
12 TO EXCEED MORE THAN FIVE ONE- OR TWO-DAY EVENTS PER YEAR AND AS
13 AUTHORIZED BY THE STATE HARNESS RACING COMMISSION, PROVIDED THAT
14 NO MORE THAN TWO ONE-DAY OR TWO-DAY EVENTS PER COUNTY ARE
15 AUTHORIZED UNLESS, AFTER A DATE ESTABLISHED BY THE COMMISSION,
16 ALL FIVE OF THE EVENTS HAVE NOT BEEN ALLOCATED, CONDUCTING
17 HARNESS HORSE RACES FOR TWO-YEAR-OLD AND THREE-YEAR-OLD HARNESS
18 HORSES: PROVIDED, HOWEVER, THAT IN NO EVENT SHALL LESS THAN
19 \$225,000 BE ALLOCATED FROM THE PENNSYLVANIA SIRE STAKES FUND AND
20 BE DIVIDED EQUALLY AMONG THOSE AGRICULTURAL FAIRS AND ONE- OR
21 TWO-DAY EVENTS CONDUCTING THESE RACES. EACH FAIR OR ONE- OR TWO-
22 DAY EVENTS RECEIVING THE FUNDS SHALL DIVIDE THE TOTAL AMOUNT
23 EQUALLY AMONG ALL ELIGIBLE RACES FOR TWO-YEAR-OLD AND THREE-
24 YEAR-OLD HARNESS HORSES AND SHALL APPLY THE FUNDS SOLELY AS
25 ADDITIONAL PURSE FUNDS. ONLY RACES TO WHICH ENTRY IS RESTRICTED
26 TO PENNSYLVANIA-SIRED HORSES SHALL BE ELIGIBLE. THE STATE
27 HARNESS RACING COMMISSION SHALL MAKE THE PROVISIONS AND
28 REGULATIONS AS IT SHALL DEEM NECESSARY FOR THE PROPER
29 ADMINISTRATION OF ALL RACING PROVIDED FOR IN THIS SUBSECTION[.],
30 INCLUDING, BUT NOT LIMITED TO, PORTABLE STALL RENTALS AT ONE-DAY

1 OR TWO-DAY EVENTS.

2 (F) THE FUND MONEYS REMAINING FOLLOWING DISBURSEMENTS AS
3 DIRECTED IN [PARAGRAPHS (1), (2) AND (3) OF SUBSECTION (B) AND
4 SUBSECTIONS] SUBSECTIONS (B), (C), (D) AND (E) SHALL, EXCEPT AS
5 PROVIDED IN SUBSECTION (B), BE DIVIDED AMONG ACTIVE LICENSED
6 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS UNDER THIS
7 ACT IN DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED
8 CORPORATION GENERATED THE FUND MONEYS DURING THE PREVIOUS YEAR.
9 THE FUND MONEYS SO DIVIDED SHALL BE USED FOR PURSES AS FOLLOWS:

10 (1) [CLAIMING] A MINIMUM OF FOUR RACES, CLAIMING AND
11 NONCLAIMING, SHALL BE CARDED PER WEEK ON THE CONDITION SHEET
12 FOR OVERNIGHT CLAIMING AND NONCLAIMING PENNSYLVANIA FUND
13 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-SIRED
14 OR WHOLLY PENNSYLVANIA-OWNED HARNESS HORSES.

15 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA FUND RACES
16 WHICH PREFER REGISTERED PENNSYLVANIA-SIRED HARNESS HORSES AS
17 STARTERS. IN THESE RACES, SHOULD SEVEN OR MORE REGISTERED
18 PENNSYLVANIA-SIRED HARNESS HORSES PASS THE ENTRY BOX, THE
19 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
20 REGISTERED PENNSYLVANIA-SIRED HARNESS HORSES.

21 Section ~~2~~ 6. This act shall take effect immediately.

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