

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1188 Session of 2013

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

SENATOR CORMAN, APPROPRIATIONS, RE-REPORTED AS AMENDED, JUNE 26, 2014

AN ACT

1 ~~Amending the act of December 17, 1981 (P.L.435, No.135),~~ <--
2 ~~entitled "An act providing for the regulation of pari mutuel~~
3 ~~thoroughbred horse racing and harness horse racing~~
4 ~~activities; imposing certain taxes and providing for the~~
5 ~~disposition of funds from pari mutuel tickets," further~~
6 ~~providing for definitions; repealing provisions related to~~
7 ~~the State Horse Racing Commission and State Harness Racing~~
8 ~~Commission; and providing for racing oversight and for the~~
9 ~~cessation of the State Horse Racing Commission and the State~~
10 ~~Harness Racing Commission.~~

11 AMENDING THE ACT OF DECEMBER 17, 1981 (P.L.435, NO.135), <--
12 ENTITLED "AN ACT PROVIDING FOR THE REGULATION OF PARI-MUTUEL
13 THOROUGHBRED HORSE RACING AND HARNESS HORSE RACING
14 ACTIVITIES; IMPOSING CERTAIN TAXES AND PROVIDING FOR THE
15 DISPOSITION OF FUNDS FROM PARI-MUTUEL TICKETS," FURTHER
16 PROVIDING FOR DEFINITIONS; REPEALING PROVISIONS RELATED TO
17 THE STATE HORSE RACING COMMISSION AND STATE HARNESS RACING
18 COMMISSION; AND PROVIDING FOR RACING OVERSIGHT, FOR PARI-
19 MUTUEL WAGERING LICENSING AND FOR ADVANCE DEPOSIT WAGERING;
20 FURTHER PROVIDING FOR MANDATORY REQUIREMENTS FOR MEDICATION
21 RULES, FOR ESTABLISHMENT OF PENNSYLVANIA RACE HORSE TESTING
22 PROGRAM, FOR COSTS FOR ENFORCEMENT OF MEDICATION RULES; AND
23 PROVIDING FOR THE CESSATION OF THE STATE HORSE RACING
24 COMMISSION AND THE STATE HARNESS RACING COMMISSION.

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

27 ~~Section 1. Section 102 of the act of December 17, 1981~~ <--
28 ~~(P.L.435, No.135), known as the Race Horse Industry Reform Act,~~

1 ~~amended or added May 16, 1986 (P.L.205, No.63) and November 30,~~
2 ~~1988 (P.L.1090, No.127), is amended to read:~~

3 ~~Section 102. Definitions.~~

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

7 ~~["Air mile." A unit of distance equal to 1,852 kilometers or~~
8 ~~5,280 feet for purposes of this act.]~~

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

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

11 ~~"Business entity." A person, corporation, business trust,~~
12 ~~estate, limited liability partnership or other form of legal~~
13 ~~business entity.~~

14 ~~"Clean letter of credit." A letter of credit which is~~
15 ~~available to the beneficiary against presentation of only a~~
16 ~~draft or receipt.~~

17 ~~["Commissions." The State Horse Racing Commission and the~~
18 ~~State Harness Racing Commission.~~

19 ~~"Commissioners." The persons appointed by the Governor and~~
20 ~~confirmed by the Senate who serve on the State Horse Racing~~
21 ~~Commission or the State Harness Racing Commission and who~~
22 ~~administer the applicable provisions of this act.]~~

23 ~~"Electronic wagering." A legal wager placed by an individual~~
24 ~~in this Commonwealth related only to the outcome of a horse race~~
25 ~~taking place in this Commonwealth, placed or transmitted by an~~
26 ~~individual through telephone or any electronic media approved by~~
27 ~~the board and accepted by a licensed business entity or its~~
28 ~~approved off track betting system located in this Commonwealth.~~

29 ~~"Evergreen clause." A term in a letter of credit providing~~
30 ~~for automatic renewal of the letter of credit.~~

1 ~~"Horse racing." Standardbred horse racing and thoroughbred~~
2 ~~horse racing.~~

3 ~~"Horseman's organization." A trade association which~~
4 ~~represents the majority of owners and trainers who own and race~~
5 ~~horses at a racetrack.~~

6 ~~"Irrevocable clean letter of credit." A clean letter of~~
7 ~~credit which cannot be canceled or amended unless there is an~~
8 ~~agreement to cancel or amend among all parties to the letter of~~
9 ~~credit.~~

10 ~~"Land mile." A unit of distance equal to 1,852 kilometers or~~
11 ~~5,280 feet.~~

12 ~~"Licensed [corporations] business entity." The [corporations~~
13 ~~that have] business entity that has obtained a license from~~
14 ~~[either] the former State Horse Racing Commission [or the], the~~
15 ~~former State Harness Racing Commission or the board to conduct~~
16 ~~[thoroughbred or harness] horse race meetings [respectively]~~
17 ~~with pari mutuel wagering.~~

18 ~~"Nonprimary location." Any facility in which pari mutuel~~
19 ~~wagering is conducted pursuant to this act other than the~~
20 ~~primary racetrack location.~~

21 ~~["Nonprimary location statement." The written statement~~
22 ~~pursuant to this act submitted to the appropriate commission by~~
23 ~~a licensed corporation planning to establish a nonprimary~~
24 ~~location.]~~

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

28 ~~"Racetrack." The physical facility where a licensed~~
29 ~~[corporation] business entity conducts thoroughbred or [harness]~~
30 ~~standardbred race meetings respectively with pari mutuel~~

1 wagering.

2 ~~"Racetrack enclosure." For purposes of this act, the term~~
3 ~~"racetrack enclosure," with respect to each licensed~~
4 ~~[corporation] business entity, shall be deemed to include at~~
5 ~~least one primary racetrack location at which horse [race]~~
6 ~~racing meetings authorized to be held by the licensed~~
7 ~~[corporation] business entities are conducted, and all primary,~~
8 ~~nonprimary, contiguous and noncontiguous locations of the~~
9 ~~licensed [corporation] business entity which are specifically~~
10 ~~approved by the [appropriate commission] board for conducting~~
11 ~~the pari mutuel system of wagering on the results of horse~~
12 ~~[races] racing held at such meetings or [race] racing meetings~~
13 ~~conducted by another licensed [corporation] business entity or~~
14 ~~televised to such locations by simulcasting.~~

15 ~~"Secondary market area of a racetrack." The land area~~
16 ~~included in a circle drawn with the racetrack as the center and~~
17 ~~a radius of 50 land miles, not including the primary market area~~
18 ~~of the racetrack.~~

19 ~~"Simulcast." The transmission of live electronically~~
20 ~~televised video/audio races from the host racetrack to the race~~
21 ~~track receiving the television transmission.~~

22 ~~"Standardbred horse racing." A form of horse racing in which~~
23 ~~the horses participating are attached "in harness" to a sulky or~~
24 ~~other similar vehicle, at a specific gait, either a trot or~~
25 ~~pace.~~

26 ~~"Thoroughbred horse racing." The form of horse racing in~~
27 ~~which each participating horse is mounted by a jockey, is duly~~
28 ~~registered with The Jockey Club of New York and engages in horse~~
29 ~~racing on the flat, which may include a steeplechase or hurdle~~
30 ~~race.~~

1 ~~"Totalisator." A computer system used to pool wagers, record~~
2 ~~sales, calculate payoffs and display wagering data on a display~~
3 ~~device that is located at a pari mutuel facility or nonprimary~~
4 ~~location.~~

5 ~~Section 2. Chapter 2 of the act is repealed:~~

6 ~~{CHAPTER 2~~

7 ~~STATE HORSE RACING COMMISSION AND STATE HARNESS~~

8 ~~RACING COMMISSION~~

9 ~~Section 201. Establishment of the commissions.~~

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

24 ~~(b) The State Harness Racing Commission is hereby~~
25 ~~established as a departmental administrative commission within~~
26 ~~the Department of Agriculture. The commission shall have general~~
27 ~~jurisdiction over all pari mutuel harness racing activities in~~
28 ~~the Commonwealth and the corporations engaged therein. The~~
29 ~~commission shall consist of three members who shall be appointed~~
30 ~~by the Governor, by and with the advice and consent of the~~

1 ~~Senate. Each commissioner shall hold office for a term of three~~
2 ~~years and until a successor is qualified.~~

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

21 ~~(d) Each commission shall engage an executive secretary,~~
22 ~~deputies, secretaries, officers and representatives as it may~~
23 ~~deem necessary, who shall serve during its pleasure. The~~
24 ~~commissions shall also engage other employees as they see fit~~
25 ~~and whose duties shall be prescribed by the commissions and~~
26 ~~whose compensation shall be fixed by the commissions within the~~
27 ~~appropriations available. Legal counsel for the commissions~~
28 ~~shall be appointed in accordance with the act of October 15,~~
29 ~~1980 (P.L.950, No.164), known as the "Commonwealth Attorneys~~
30 ~~Act." Each commission shall be subject to the provisions of the~~

1 ~~act of April 9, 1929 (P.L.177, No.175), known as "The~~
2 ~~Administrative Code of 1929," as to classification and~~
3 ~~compensation for all its employees.~~

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

20 ~~(f) The commissions or designated officers, employees or~~
21 ~~agents of the commissions shall have the power to administer~~
22 ~~oaths and examine witnesses and may issue subpoenas to compel~~
23 ~~attendance of witnesses and production of all relevant and~~
24 ~~material reports, books, papers, documents, correspondence and~~
25 ~~other evidence. The commissions shall, annually, make a full~~
26 ~~report to the Secretary of Agriculture of their proceedings for~~
27 ~~the preceding calendar year and suggestions and recommendations~~
28 ~~as they see fit. The commissions shall exercise their powers and~~
29 ~~duties in accordance with the provisions of "The Administrative~~
30 ~~Code of 1929."~~

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

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

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

25 ~~(j) All licenses issued under the provisions of section 11~~
26 ~~of the Pennsylvania Thoroughbred Horse Racing Law and under the~~
27 ~~provisions of section 9 of the Pennsylvania Harness Racing Law,~~
28 ~~shall remain in effect for the remainder of the term for which~~
29 ~~these licenses were issued. After these licenses have expired,~~
30 ~~all renewals or new licenses shall be issued under the~~

1 ~~provisions of this act.~~

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

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

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

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

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

29 ~~(3) The rules of the commissions shall also provide that~~
30 ~~all winning pari mutuel tickets must be presented for payment~~

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

26 ~~(4) The commissions may adopt a general promotion~~
27 ~~program to assist the licensed corporations in increasing~~
28 ~~their attendance and average daily handle. Any expenditures~~
29 ~~for a promotional program shall be authorized and approved in~~
30 ~~the same manner as other operational costs of the~~

1 ~~commissions.~~

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

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

26 ~~(c) No corporation shall have the right to conduct any horse~~
27 ~~race meet except on obtaining a license from the appropriate~~
28 ~~commission and at the location or locations designated in its~~
29 ~~license or any amendment thereto or as approved at any time by~~
30 ~~the commission as the place or places at which it was proposed~~

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

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

13 ~~(a) Whenever a transfer of stock comprising an interest of~~
14 ~~5% or more in any licensed corporation, or comprising an~~
15 ~~interest of 5% or more in any corporation which leases to a~~
16 ~~licensed corporation the track facility at which it conducts~~
17 ~~pari mutuel horse races or comprising an interest of 5% or more~~
18 ~~in any corporation which owns 25% or more of the stock of the~~
19 ~~licensed corporation shall be made, there shall be filed,~~
20 ~~simultaneously, with the corporation which issued such stock the~~
21 ~~following:~~

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

25 ~~(i) has been convicted of a crime involving moral~~
26 ~~turpitude;~~

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

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

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

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

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

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

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

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

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

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

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

30 ~~To each of the affidavits shall be annexed, and expressly~~

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

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

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

27 ~~(d) If the appropriate commission determines that it is~~
28 ~~inconsistent with the public interest, convenience, or~~
29 ~~necessity, or with the best interest of racing generally, that~~
30 ~~any person continue to be a stockholder of record, or the~~

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

~~10 (e) If the commissions shall make any order or direction as
11 provided in subsection (d), the person aggrieved shall be given
12 notice of the time and place of a hearing before the appropriate
13 commission, at which time the appropriate commission will hear
14 the person in reference thereto.~~

~~15 Section 205. Number of horse racing corporations.~~

~~16 (a) No more than six corporations shall be licensed by the
17 State Horse Racing Commission to conduct a pari mutuel meet or
18 meets. No corporation licensed under this act to conduct harness
19 racing with pari mutuel wagering or under the act of December
20 22, 1959 (P.L.1978, No.728), referred to as the Pennsylvania
21 Harness Racing Law, shall be licensed to conduct thoroughbred
22 horse racing with pari mutuel wagering.~~

~~23 (b) No more than five corporations shall be licensed by the
24 State Harness Racing Commission to conduct a pari mutuel meet or
25 meets. No corporation licensed under this act to conduct
26 thoroughbred horse racing with pari mutuel wagering or under the
27 act of December 11, 1967 (P.L.707, No.331), referred to as the
28 Pennsylvania Thoroughbred Horse Racing Law, shall be licensed to
29 conduct harness horse racing with pari mutuel wagering.~~

~~30 Section 206. Responsibilities of the Department of Revenue.~~

1 ~~The Department of Revenue is charged with the financial~~
2 ~~administration of pari mutuel wagering under this act, as~~
3 ~~supplemented by the rules and regulations of the commissions.~~
4 ~~The Department of Revenue shall have authority to prescribe the~~
5 ~~forms and the system of accounting to be employed, and through~~
6 ~~its representatives shall, at all times, have power of access~~
7 ~~to, and examination of, any equipment relating to such wagering.~~
8 ~~Section 207. Allocation of racing days.~~

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

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

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

26 ~~(b) No more than 125 racing days shall be allocated to each~~
27 ~~licensed corporation conducting harness horse race meetings in~~
28 ~~any calendar year. Every corporation shall hold its license~~
29 ~~under the provisions of section 209. The State Harness Racing~~
30 ~~Commission shall allocate the racing days in accordance with the~~

1 following guidelines:

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

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

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

27 ~~(4) For purposes of this section, an ownership interest~~
28 ~~shall mean that a licensed corporation directly or through a~~
29 ~~parent or subsidiary has at least 35% equity interest in the~~
30 ~~track facility at which it conducts harness horse race~~

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

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

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

18 ~~(2) the names and addresses of the presidents and~~
19 ~~general managers of the corporations;~~

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

22 ~~(4) the number of racing days allocated to each~~
23 ~~corporation; and~~

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

26 ~~(d) If a racing day is cancelled by a licensed corporation~~
27 ~~for reasons beyond its control, the appropriate commission shall~~
28 ~~grant the licensed corporation the right to conduct that racing~~
29 ~~day in the same or the next ensuing calendar year, if schedules~~
30 ~~permit. The racing day for purposes of taxation under section~~

1 ~~222 shall be at the lowest tax rate at which the licensed-~~
2 ~~corporation conducted a racing day during that year.~~

3 ~~Section 208. State admissions taxes.~~

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

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

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

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

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

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

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

11 ~~(b) Every license shall be issued upon the following~~
12 ~~conditions:~~

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

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

23 ~~(3) The corporation can prove by a preponderance of the~~
24 ~~evidence that it has obtained the use of a facility to~~
25 ~~conduct horse race meetings. The proof may be demonstrated by~~
26 ~~documentation of an ownership interest in the facility or by~~
27 ~~a written lease for use of the facility. For purposes of this~~
28 ~~paragraph, an ownership interest shall mean that a licensed~~
29 ~~corporation directly or through a parent or subsidiary has at~~
30 ~~least a 35% equity interest in the track facility at which it~~

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

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

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

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

29 ~~(d) In considering an application for a license to a~~
30 ~~corporation, the commissions may give consideration to the~~

1 ~~number of licenses already granted. No license shall be granted~~
2 ~~to any track located within ten miles of a State, county or~~
3 ~~other political subdivision fair conducting horse racing unless~~
4 ~~the association, corporation, society, political subdivision or~~
5 ~~State agency conducting the fair shall affirmatively waive~~
6 ~~objection to the issuance of the license for dates within the~~
7 ~~period.~~

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

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

15 ~~(i) has been convicted of a crime involving moral~~
16 ~~turpitude;~~

17 ~~(ii) has engaged in bookmaking or other forms of~~
18 ~~illegal gambling;~~

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

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

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

27 ~~(2) The experience, character or fitness of any officer,~~
28 ~~director or stockholder of any of the corporations is such~~
29 ~~that the participation of the person in horse racing or~~
30 ~~related activities would be inconsistent with the public~~

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

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

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

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

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

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

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

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

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

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

23 ~~(h) The commissions shall have power to direct that every~~
24 ~~certificate of stock of a licensed corporation shall bear a~~
25 ~~legend, plainly and prominently imprinted upon the face of the~~
26 ~~certificate, reading: "This certificate of stock is transferable~~
27 ~~only subject to the provisions of the 'Race Horse Industry~~
28 ~~Reform Act'." The provisions of this subsection shall not apply~~
29 ~~to stock heretofore issued by a licensed corporation under the~~
30 ~~provisions of the act of December 11, 1967 (P.L.707, No.331), as~~

1 ~~amended, and referred to as the Pennsylvania Thoroughbred Horse~~
2 ~~Racing Law or of the act of December 22, 1959 (P.L.1978,~~
3 ~~No.728), as amended, and referred to as the Pennsylvania Harness~~
4 ~~Racing Law.~~

5 ~~Section 210. Shareholders.~~

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

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

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

30 ~~(d) No property rights shall exist in any shares of stock of~~

1 ~~any licensed corporation which are held in trust contrary to the~~
2 ~~provisions of this section and the same shall be forfeited to~~
3 ~~the Commonwealth after reasonable notice and upon hearing and~~
4 ~~proof thereof in any suit instituted by the Attorney General of~~
5 ~~Pennsylvania. Upon it being established that the stock is~~
6 ~~subject to forfeiture by legal adjudication, the appropriate~~
7 ~~commission shall sell the forfeited stock at public sale, upon~~
8 ~~proper notice, to the highest bidder. The proceeds from the sale~~
9 ~~shall be deposited in the General Fund of the Commonwealth of~~
10 ~~Pennsylvania.~~

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

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

21 ~~(a) No public officer, public employee or party officer~~
22 ~~shall:~~

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

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

28 ~~(i) which is licensed by the commissions to conduct~~
29 ~~pari mutuel racing;~~

30 ~~(ii) which is licensed to conduct its occupation,~~

~~trade or business at race tracks at which pari mutuel
race meets are conducted;~~

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

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

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

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

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

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

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

~~"Party officer." The following members or officers of any
political party:~~

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

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

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

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

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

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

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

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

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

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

30 ~~(b) At all harness race meetings licensed by the State~~

~~1 Harness Racing Commission, qualified judges and starters shall
2 be approved by the commission. No person shall be approved as a
3 judge or starter unless he is licensed by the United States
4 Trotting Association as a duly qualified pari mutuel race
5 meeting official. The officials shall enforce the rules and
6 regulations of the State Harness Racing Commission and shall
7 render regular written reports of the activities and conduct of
8 the race meetings to the State Harness Racing Commission. The
9 compensation of the presiding judge and two associate judges at
10 each race track shall be fixed and paid by the State Harness
11 Racing Commission. The commission shall adopt a selection
12 process to approve the appointment of these officials. The
13 licensed corporations shall participate in this selection
14 process for approval of these officials.~~

~~15 Section 213. Licenses for commissioners, employees and
16 participants at horse race meetings.~~

~~17 (a) Each commission shall license trainers, jockeys,
18 drivers, persons participating in thoroughbred and harness horse
19 race meetings, horse owners and all other persons and vendors
20 exercising their occupation or employed at thoroughbred and
21 harness horse race meetings. The license gives its holder a
22 privilege to engage in the specified activity, but the license
23 does not give its holder a property right. Licenses are not
24 transferable. Each commission shall fix the license fees to be
25 paid by persons or corporations so licensed; provided, however,
26 that such occupational license fees shall not exceed \$100. All
27 fees shall be paid to the commissions and by them paid into the
28 State Treasury through the Department of Revenue and credited to
29 the State Racing Fund. The application shall be in the form and
30 contain the information as each commission may require.~~

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

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

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

1 ~~the best interests of racing generally in conformity with the~~
2 ~~purposes of this act, it may grant a license.~~

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

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

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

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

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

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

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

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

1 act.

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

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

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

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

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

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

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

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

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

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

30 ~~(g) Pending final determination of any question under this~~

1 ~~section, the commissions may issue a temporary license upon such~~
2 ~~terms and conditions as they may deem necessary or proper to~~
3 ~~effectuate the provisions of this act.~~

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

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

10 ~~Section 214. Power of commissions to impose fines and~~
11 ~~penalties.~~

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

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

28 ~~(b) No officer or employee of a licensed corporation or~~
29 ~~their spouses, parents, fathers in law, mothers in law, sons,~~
30 ~~daughters, sons in law or daughters in law shall have any direct~~

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

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

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

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

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

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

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

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

29 ~~(d) A licensed corporation may not refuse admission to or~~
30 ~~eject a law enforcement official while that official is actually~~

1 ~~engaged in the performance of official duties.~~

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

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

8 ~~Each commission may, upon request by any licensed~~
9 ~~corporation, grant permission for electronically televised~~
10 ~~simulcasts of horse races to be operated by the licensed~~
11 ~~corporation at the race track enclosure where a horse race~~
12 ~~meeting is being conducted during, between, before or after~~
13 ~~posted races for that racing day. The posted races for that~~
14 ~~racing day shall include a minimum of eight live races, except,~~
15 ~~at thoroughbred tracks on the one day designated as Breeders'~~
16 ~~Cup Event Day, there shall be a minimum of five live races. The~~
17 ~~simulcasts shall be limited to horse races conducted at~~
18 ~~facilities outside this Commonwealth and televised to race track~~
19 ~~enclosures within this Commonwealth. The simulcasts shall also~~
20 ~~be limited to thoroughbred races designated as Grade I stakes,~~
21 ~~or the international equivalent thereto, with purses of at least~~
22 ~~\$100,000; standard bred races with purses of at least \$100,000;~~
23 ~~and other stakes races which have, in the opinion of the~~
24 ~~appropriate commission, significant value to the Pennsylvania~~
25 ~~racing industry. Cross simulcasting of the aforementioned races~~
26 ~~shall be permitted as long as the particular race is available~~
27 ~~to all race tracks in the Commonwealth which are operating live~~
28 ~~racing that day. All simulcasts of horse races from outside this~~
29 ~~Commonwealth shall also comply with the provisions of the~~
30 ~~Interstate Horse Racing Act of 1978, 92 Stat. 1811, 15 USC 3001-~~

1 ~~et seq. All forms of pari-mutuel wagering as described under~~
2 ~~section 221 shall be allowed on horse races to be televised by~~
3 ~~simulcasting. Each commission may promulgate rules or~~
4 ~~regulations to regulate the wagering and the operation of these~~
5 ~~horse races. All moneys wagered by patrons on these horse races~~
6 ~~shall be computed in the amount of money wagered each racing day~~
7 ~~for purposes of taxation under section 222.~~

8 ~~Section 216.1. Televised international and interstate~~
9 ~~simulcastings of horse races.~~

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

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

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

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

1 ~~Event Day, when the facility shall hold a minimum of five-~~
2 ~~live races.~~

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

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

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

1 ~~of section 222(b)(5).~~

2 ~~Section 217. Refunds.~~

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

7 ~~(1) the moneys were in excess of the amount required by~~
8 ~~law;~~

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

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

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

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

19 ~~Section 218. Place and manner of conducting pari mutuel~~
20 ~~wagering.~~

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

1 ~~double ticket, if a daily double be conducted, and any other~~
2 ~~information that the commissions may deem necessary for the~~
3 ~~guidance of the general public. The commissions may prescribe,~~
4 ~~by rule, the type and kind of equipment to be used for the~~
5 ~~display of the foregoing information.~~

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

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

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

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

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

22 ~~(g) Notwithstanding any other provisions of this act to the~~
23 ~~contrary, upon approval by the appropriate commission, a~~
24 ~~licensed corporation may establish one or more nonprimary~~
25 ~~locations at which it shall conduct pari-mutuel wagering on all~~
26 ~~horse races conducted by such licensed corporation and may~~
27 ~~conduct pari-mutuel wagering on horse races conducted by another~~
28 ~~licensed corporation, which horse races may be televised to the~~
29 ~~locations, or on horse races simulcast to the locations pursuant~~
30 ~~to section 216, provided that:~~

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

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

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

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

29 ~~(5) (i) Any licensed corporation, planning to establish~~
30 ~~a nonprimary location, shall submit to the appropriate~~

1 ~~commission a nonprimary location statement in a form~~
2 ~~prescribed by the appropriate commission which specifies,~~
3 ~~but is not limited to, the following:~~

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

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

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

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

14 ~~(E) The total seating capacity of the proposed~~
15 ~~facility.~~

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

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

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

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

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

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

29 ~~(L) The total square feet of the proposed~~
30 ~~facility.~~

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

28 ~~(iii) In determining whether the nonprimary location~~
29 ~~statement meets the legislative intent of this amendatory~~
30 ~~act, the appropriate commission shall consider factors~~

1 ~~which include, but are not limited to, the following:~~

2 ~~(A) The purposes and provisions of this~~
3 ~~amendatory act.~~

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

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

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

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

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

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

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

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

30 ~~Year Number of Number of days Number of Number of days~~

~~live racing in subsequent~~ ~~live racing in subsequent~~
~~days~~ ~~year permitted~~ ~~days~~ ~~year permitted~~
~~conducted to operate~~ ~~conducted to operate~~
~~nonprimary~~ ~~nonprimary~~
~~locations~~ ~~locations~~
~~within primary~~ ~~within primary~~
~~market area~~ ~~market area~~

8	1988	50	365		
9	1989	69	365	Under 69	307
10	1990	88	365	Under 88	259
11	1991	107	365	Under 107	191
12	1992	126	365	Under 126	133
13	1993	142	365	Under 142	75

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

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

~~(ii) In addition to the nonprimary locations~~
~~authorized by subparagraph (i), during each of the~~

1 ~~calendar years 1989 and 1990, the appropriate commission~~
2 ~~may approve no more than one additional nonprimary~~
3 ~~location per primary racetrack location, for one licensed~~
4 ~~corporation authorized to conduct racing at the primary~~
5 ~~racetrack location.~~

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

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

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

28 ~~(ii) The retained moneys as provided for in section~~
29 ~~222(e) shall be calculated for each location where pari~~
30 ~~mutuel wagering is being conducted. If wagering has taken~~

1 ~~place at a nonprimary location where the wagering is~~
2 ~~conducted by a licensed corporation other than the~~
3 ~~licensed corporation conducting the race meeting, the~~
4 ~~licensed corporation conducting the race meeting shall~~
5 ~~retain any moneys to which it is entitled by agreement~~
6 ~~between such licensed corporations and shall pay over the~~
7 ~~balance of the retained moneys to the licensed~~
8 ~~corporation conducting the wagering at the nonprimary~~
9 ~~location.~~

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

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

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

30 ~~(10) The provisions of section 234 relating to the~~

1 ~~required number of racing days apply to this subsection.~~

2 ~~However, a horseman's organization representing a majority of~~
3 ~~owners and trainers at a racetrack may consent to waiving or~~
4 ~~modifying the provisions as pertaining to the required number~~
5 ~~of racing days scheduled by a licensed corporation at that~~
6 ~~racetrack.~~

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

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

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

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

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

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

29 ~~(1) all tickets shall be presented for payment before~~
30 ~~the first day of April of the year following the year of~~

1 ~~their purchase; and~~

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

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

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

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

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

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

30 ~~(8) all moneys remaining in the wagering pools described~~

1 under paragraphs (2), (3), (4), (5), (6) and (7) shall be
2 distributed to the holders of winning tickets.

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

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

9 Section 222. Distribution of moneys retained from pari mutuel
10 pools; taxation.

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

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

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

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

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

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

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

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

25 ~~(a.5) In order to qualify for the 1.0% tax rate authorized~~
26 ~~under subsection (a.4), the newly licensed corporation may not~~
27 ~~include any officer, director or the immediate relative (spouse,~~
28 ~~children or parents) of any officer or director of any licensed~~
29 ~~racing corporation which conducted, at any time within the~~
30 ~~immediately preceding five years, any horse or harness race~~

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

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

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

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

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

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

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

26 ~~(i) An amount equivalent to one percent of the~~
27 ~~amount wagered each racing day at thoroughbred horse race~~
28 ~~meetings shall be paid by the Horse Racing Commission~~
29 ~~from the State Racing Fund through the Department of~~
30 ~~Revenue for credit to the Pennsylvania Breeding Fund.~~

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

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

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

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

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

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

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

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

25 ~~(2) The remaining 50% of the breakage shall be retained~~
26 ~~by the licensed corporations of which one half of this~~
27 ~~breakage shall be used solely by the licensed corporations~~
28 ~~for claiming and nonclaiming races where entry is restricted~~
29 ~~to Pennsylvania sired horses in the following manner:~~

30 ~~(i) On January 1, 1982, and thereafter at least five~~

1 ~~of the horses programmed to start shall be Pennsylvania-~~
2 ~~sired horses. If at least five of the horses programmed-~~
3 ~~to start are not Pennsylvania sired horses, then the-~~
4 ~~licensed corporation conducting the meet shall cancel the-~~
5 ~~race.~~

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

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

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

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

30 ~~(e) All remaining moneys retained under section 221 and not~~

1 ~~heretofore distributed shall be kept by the licensed~~
2 ~~corporations for their use.~~

3 ~~Section 223. Pennsylvania Breeding Fund.~~

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

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

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

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

1 ~~bred thoroughbred horse. A single award under this paragraph~~
2 ~~may not exceed .5% of the total annual fund money.~~

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

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

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

30 ~~(1) Claiming and nonclaiming Pennsylvania Breeding Fund~~

1 ~~races which restrict entry to registered Pennsylvania bred~~
2 ~~thoroughbred horses.~~

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

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

15 ~~(f) The Pennsylvania Breeding Fund Advisory Committee, under~~
16 ~~the jurisdiction of the State Horse Racing Commission, is hereby~~
17 ~~established and shall be part of the Pennsylvania State Horse~~
18 ~~Racing Commission. The commission shall consist of five members,~~
19 ~~all of whom shall be residents of Pennsylvania, to be appointed~~
20 ~~by the commission by June 1 of each year. The committee shall~~
21 ~~consist of two members of the Pennsylvania Horse Breeders'~~
22 ~~Association, one member from the licensed corporations, one~~
23 ~~member from the association representing horsemen racing in~~
24 ~~Pennsylvania and one member of the commission. If any member~~
25 ~~other than the commission member has not been recommended by~~
26 ~~June 1 of each year, the commission shall make an appointment~~
27 ~~for the organization failing to so recommend a member of the~~
28 ~~committee. The committee shall assist and advise the commission~~
29 ~~under the provisions of this act but shall have no power in~~
30 ~~administering the fund. The members of the committee shall~~

1 ~~receive no compensation for their services as members.~~

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

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

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

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

1 ~~that conduct harness horse race meetings shall be divided~~
2 ~~equally among the licensed corporations. Each licensed~~
3 ~~corporation shall divide the funds received equally for each of:~~

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

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

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

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

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

1 ~~\$225,000 be allocated from the Pennsylvania Sire Stakes Fund and~~
2 ~~be divided equally among those agricultural fairs and one or~~
3 ~~two day events conducting these races. Each fair or one or two~~
4 ~~day events receiving the funds shall divide the total amount~~
5 ~~equally among all eligible races for two year old and three~~
6 ~~year old harness horses and shall apply the funds solely as~~
7 ~~additional purse funds. Only races to which entry is restricted~~
8 ~~to Pennsylvania sired horses shall be eligible. The State~~
9 ~~Harness Racing Commission shall make the provisions and~~
10 ~~regulations as it shall deem necessary for the proper~~
11 ~~administration of all racing provided for in this subsection,~~
12 ~~including, but not limited to, portable stall rentals at one day~~
13 ~~or two day events.~~

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

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

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

1 ~~registered Pennsylvania sired harness horses.~~

2 ~~Section 225.1. Fair Fund proceeds.~~

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

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

29 ~~If the commissions refuse to grant any license applied for~~
30 ~~under this act, or shall revoke or suspend any license granted,~~

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

28 ~~The commissions shall not grant to a corporation formed under~~
29 ~~this act a license to conduct a horse race meeting at which~~
30 ~~pari mutuel betting may be conducted, until the corporation has~~

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

8 ~~Section 228. Prohibition of wagering by certain officials,~~
9 ~~employees and minors.~~

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

25 ~~Section 229. State horse racing veterinarians and State~~
26 ~~stewards.~~

27 ~~(a) The State Horse Racing Commission shall appoint and~~
28 ~~employ licensed veterinarians and stewards to serve as the horse~~
29 ~~racing veterinarians and State stewards for horse racing,~~
30 ~~respectively, at each meeting conducted by a corporation~~

1 ~~licensed by the State Horse Racing Commission. The State Horse~~
2 ~~Racing Commission shall have the authority to employ other~~
3 ~~individuals as shall be necessary to carry out the~~
4 ~~responsibilities of this section.~~

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

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

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

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

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

24 ~~(a) A licensed corporation shall not issue free passes,~~
25 ~~cards or badges without admission tax, except to persons~~
26 ~~hereafter described: officers, employees and shareholders of the~~
27 ~~corporation conducting the race meeting; members, officers and~~
28 ~~employees of the commissions; members of horse racing~~
29 ~~associations of other states and foreign countries; public~~
30 ~~officers engaged in the performance of their duties; persons~~

1 ~~employed and accredited by the press to attend such meeting;~~
2 ~~owners, stable managers, trainers, jockeys, concessionaries and~~
3 ~~other persons whose actual duties require their presence at the~~
4 ~~race tracks.~~

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

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

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

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

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

29 ~~Every corporation licensed to conduct pari mutuel betting~~
30 ~~shall display on video screens the approximate odds or~~

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

~~19 The State Horse Racing Commission and the State Harness
20 Racing Commission shall only permit intrastate simulcasting of
21 live racing between two licensed corporations when each
22 continues to schedule 95% of the total number of horse or
23 harness racing days scheduled in 1986 at the facility where each
24 said licensed corporation conducts its horse or harness racing
25 dates, and when the average number of live horse or harness
26 races per race day equals 90% of the average number of live
27 horse or harness races conducted per day in 1985 at the facility
28 where each said licensed corporation conducts its horse or
29 harness racing dates, subject to any actions or activities
30 beyond the control of the licensee: Provided, however, That for~~

~~1 any licensed corporation that was granted a permanent license
2 for horse racing and operating at a facility where the average
3 daily handle at the facility at which the licensed corporation
4 conducts racing dates is less than \$150,000 in any calendar year
5 after 1985, the State Horse Racing Commission may permit
6 intrastate simulcasting when the licensed corporation first
7 schedules a minimum of 50 racing days in the calendar year in
8 which it wishes to simulcast. A newly licensed corporation
9 racing at the facility may be permitted to intrastate simulcast
10 by the State Horse Racing Commission when it first schedules at
11 least 50 racing dates in the year in which it wishes to
12 simulcast. If a newly licensed corporation is awarded harness or
13 horse racing dates after 1987 and races those dates at a horse
14 or harness racing facility existing in 1987, other than a
15 facility whose average daily handle is less than \$150,000, the
16 respective commissions shall not permit intrastate simulcasting
17 unless the same number of horse or harness dates scheduled at
18 that facility in 1987 are scheduled at that facility in the year
19 that the corporation wishes to simulcast subject to any actions
20 or activities beyond the control of the licensees (i.e. act of
21 God, strike). For a licensed corporation awarded racing dates at
22 a facility which did not conduct horse or harness racing prior
23 to 1987, the respective commissions may permit intrastate
24 simulcasting if the licensed corporation is the only corporation
25 operating that facility when that corporation first schedules a
26 minimum of 125 days of racing dates in the calendar year in
27 which it wishes to simulcast or when more than one such
28 corporation is awarded dates for racing at the same facility
29 when those corporations first schedule a minimum of 200 days of
30 racing in the calendar year in which they wish to simulcast. For~~

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

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

19 ~~Section 235. Commingling.~~

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

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

30 ~~(c) A licensed corporation shall maintain a separate~~

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

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

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

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

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

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

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

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

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

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

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

25 ~~(c) Each appropriate commission shall have the authority to~~
26 ~~grant exceptions to this section upon application by a licensed~~
27 ~~racing corporation for not more than five racing days per~~
28 ~~calendar year with respect to each licensed corporation. The~~
29 ~~provisions of this section shall be effective until July 1,~~
30 ~~1991.]~~

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

2 ~~CHAPTER 2-A~~

3 ~~RACING OVERSIGHT~~

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

5 ~~(a) Establishment. The Bureau of Horse Racing is~~
6 ~~established within the board to regulate the operations of horse~~
7 ~~racing and pari mutuel operations.~~

8 ~~(b) Jurisdiction. The board shall have jurisdiction and~~
9 ~~regulatory authority over the following:~~

10 ~~(1) Pari mutuel wagering and other horse racing~~
11 ~~activities in this Commonwealth.~~

12 ~~(2) A licensed business entity engaged in pari mutuel~~
13 ~~horse racing activities.~~

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

18 ~~(4) The conduct of horse racing in this Commonwealth.~~

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

21 ~~(1) All documents provided to or filed with the board.~~
22 ~~Documents may be designated as confidential in accordance~~
23 ~~with board policy.~~

24 ~~(2) A docket setting forth the names of all stockholders~~
25 ~~in a business entity, licensed under this act. The docket~~
26 ~~shall be available for public inspection during normal~~
27 ~~business hours of the board.~~

28 ~~(3) The number of shares held by each stockholder.~~

29 ~~(4) A complete record of proceedings of the board~~
30 ~~relating to horse racing and pari mutuel wagering.~~

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

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

10 ~~(2) The board shall promulgate rules and regulations~~
11 ~~necessary for the administration and enforcement of this act.~~
12 ~~Except as provided in paragraph (3), regulations shall be~~
13 ~~promulgated in accordance with law.~~

14 ~~(3) In order to facilitate the prompt implementation of~~
15 ~~this act, regulations promulgated by the board shall be~~
16 ~~deemed temporary regulations which shall not expire for a~~
17 ~~period of three years following publication. Temporary~~
18 ~~regulations shall not be subject to:~~

19 ~~(i) Sections 201, 202, 203, 204 and 205 of the~~
20 ~~Commonwealth Documents Law.~~

21 ~~(ii) The Regulatory Review Act.~~

22 ~~(iii) Sections 204(b) and 301(10) of the act of~~
23 ~~October 15, 1980 (P.L.950, No.164), known as the~~
24 ~~Commonwealth Attorneys Act.~~

25 ~~(4) Except for temporary regulations governing~~
26 ~~procedures for collecting and testing for illegal or~~
27 ~~performance enhancing substances and practices in horse~~
28 ~~racing, the board's authority to promulgate temporary~~
29 ~~regulations under paragraph (3) shall expire three years~~
30 ~~after the effective date of this section. Regulations adopted~~

1 ~~after this period shall be promulgated as provided by law.~~

2 ~~(e) Application. The board shall develop a joint~~
3 ~~application for Category 1 licensees and licensed business~~
4 ~~entities.~~

5 ~~(f) Licenses. Each license issued prior to January 1, 2014,~~
6 ~~shall remain in effect for the remainder of the term for which~~
7 ~~the license was issued unless revoked or suspended. After a~~
8 ~~license has expired, a license renewal or new license shall be~~
9 ~~issued under this act. A license renewal shall be subject to and~~
10 ~~made consistent with the requirements of 4 Pa.C.S. § 1326~~
11 ~~(relating to license renewals).~~

12 ~~Section 202 A. Additional powers.~~

13 ~~The board shall regulate horse racing at which pari mutuel~~
14 ~~wagering is conducted and approve the number of racing days~~
15 ~~allocated to each licensed business entity. In addition to any~~
16 ~~other powers of the board:~~

17 ~~(1) The board shall promulgate regulations regarding~~
18 ~~medication rules.~~

19 ~~(2) The board shall require applicants under this act to~~
20 ~~submit to fingerprinting and photographing by the~~
21 ~~Pennsylvania State Police or by a local law enforcement~~
22 ~~agency capable of submitting fingerprints and photographs~~
23 ~~electronically to the Pennsylvania State Police utilizing the~~
24 ~~Integrated Automated Fingerprint Identification System and~~
25 ~~the Commonwealth Photo Imaging Network or in a manner~~
26 ~~provided by the Pennsylvania State Police. The Pennsylvania~~
27 ~~State Police shall submit fingerprints to the Federal Bureau~~
28 ~~of Investigation to verify the identity of applicants and to~~
29 ~~obtain criminal records. The board shall consider information~~
30 ~~obtained pursuant to this provision for the purpose of~~

~~screening applicants for fitness for licensure in accordance with the provisions of this act. National criminal history record information received by the board shall be handled and maintained in accordance with Federal Bureau of Investigation policy. Fingerprints and photographs obtained under this paragraph may be maintained by the board and the Pennsylvania State Police to enforce this act and for general law enforcement purposes. In addition to any other fee or cost assessed by the board, an applicant shall pay for the cost of fingerprinting and photographing. The board may exempt certain categories of employment from this paragraph.~~

~~(3) Two years following the effective date of this section, the board may adopt regulations to annually increase any fee, charge or cost authorized under this act.~~

~~(4) The board or designated employee of the board shall have the power to administer oaths and examine witnesses and may issue subpoenas to compel attendance of witnesses and production of all relevant and material reports, books, papers, documents, correspondence and other evidence.~~

~~Section 202.1 A. Budget.~~

~~The board shall annually submit an itemized proposed budget to the Office of the Budget and the chairman of the Appropriations Committee of the Senate and the chairman of the Appropriations Committee of the House of Representatives consisting of amounts to be appropriated from the State Racing Fund, the Pennsylvania Race Horse Development Fund or the General Fund to administer and enforce this act.~~

~~Section 203 A. License.~~

~~After January 1, 2015, a licensed business entity shall conduct a horse racing meeting at the location designated and~~

1 ~~approved by the board under 4 Pa.C.S. §§ 1302 (relating to~~
2 ~~Category 1 slot machine license) and 1303 (relating to~~
3 ~~additional Category 1 slot machine license requirements).~~
4 ~~Section 204 A. (Reserved).~~

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

6 ~~(a) Standardbred horse racing. No more than four business~~
7 ~~entities shall be licensed to conduct a pari mutuel meet. No~~
8 ~~business entity licensed under this act to conduct standardbred~~
9 ~~horse racing with pari mutuel wagering shall be licensed to~~
10 ~~conduct thoroughbred horse racing with pari mutuel wagering.~~

11 ~~(b) Thoroughbred horse racing. No more than three business~~
12 ~~entities shall be licensed by the board to conduct a pari mutuel~~
13 ~~meet. No business entity licensed under this act to conduct~~
14 ~~thoroughbred horse racing with pari mutuel wagering shall be~~
15 ~~licensed to conduct standardbred horse racing with pari mutuel~~
16 ~~wagering.~~

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

18 ~~The Department of Revenue shall provide financial~~
19 ~~administration of pari mutuel wagering under this act in~~
20 ~~accordance with Department of Revenue regulations and~~
21 ~~regulations of the board. The Department of Revenue shall~~
22 ~~prescribe the form and system of accounting to be used by~~
23 ~~licensed business entities, and may access and examine records,~~
24 ~~equipment and other information relating to pari mutuel~~
25 ~~wagering.~~

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

27 ~~(a) General rule. Racing shall be conducted consistent with~~
28 ~~4 Pa.C.S. § 1303 (relating to additional category 1 slot machine~~
29 ~~license requirements).~~

30 ~~(b) Certification. The board shall submit to the Secretary~~

~~of Revenue the approved number of racing days for each licensed business entity, including the following information:~~

~~(1) the names and addresses of the licensed business entities;~~

~~(2) the names and addresses of the owners, officers and general managers of the licensed business entities; and~~

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

~~(c) Cancellation.—~~

~~(1) If a racing day is canceled by a licensed business entity for reasons beyond the licensed business entity's control, the board shall grant the licensed business entity the right to conduct that racing day in the same or the next ensuing calendar year, if schedules permit.~~

~~(2) The board may require the cancellation of a race if it is determined that less than six horses have entered a race.~~

~~Section 208 A. (Reserved).~~

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

~~(a) Procedure and terms.—~~

~~(1) After January 1, 2015, a business entity desiring to conduct horse racing meetings for which a Category 1 license has been issued and at which pari mutuel wagering is permitted may apply to the board for a license or the renewal of an existing license.~~

~~(2) A licensed business entity shall have the privilege to conduct a horse racing meeting at which pari mutuel wagering is permitted. A license to conduct a horse racing meeting shall not be a property right.~~

~~(3) The board may revoke or suspend the license of a licensed business entity if the board finds that the business~~

1 ~~entity, its owners, officers, managers or agents, has not~~
2 ~~complied with this act and regulations promulgated in~~
3 ~~accordance with this act.~~

4 ~~(4) A licensed business entity may not transfer a~~
5 ~~license without the approval of the board.~~

6 ~~(b) Conditions. Each horse racing license shall be issued~~
7 ~~upon the following conditions:~~

8 ~~(1) A horse racing meeting at which pari mutuel wagering~~
9 ~~is conducted shall be regulated by the board.~~

10 ~~(2) The conduct of pari mutuel wagering shall also be~~
11 ~~regulated by the Department of Revenue.~~

12 ~~(3) The licensed business entity prints in its racing~~
13 ~~programs the procedure for filing a complaint with the board.~~

14 ~~(c) Applications. Applications for a licensed business~~
15 ~~entity shall be in the form prescribed by the board and shall~~
16 ~~contain information as the board may require.~~

17 ~~(d) Grounds for denial, revocation or suspension. The board~~
18 ~~may deny, revoke or suspend the license of a business entity, if~~
19 ~~it determines that:~~

20 ~~(1) Any owner, officer, director or manager of the~~
21 ~~business entity applying for a license or of any business~~
22 ~~entity which participates in the management of the affairs of~~
23 ~~the applicant, or which leases to the licensed business~~
24 ~~entity the track where it shall operate:~~

25 ~~(i) has been convicted of bookmaking or other forms~~
26 ~~of illegal gambling;~~

27 ~~(ii) has been convicted of any fraud or~~
28 ~~misrepresentation in connection with racing or breeding;~~

29 ~~(iii) has been convicted of any violation or attempt~~
30 ~~to violate any law, rule or regulation of any horse~~

1 ~~racing jurisdiction, for which suspension from horse~~
2 ~~racing might be imposed in that jurisdiction;~~

3 ~~(iv) has violated any rule, regulation or order of~~
4 ~~the board;~~

5 ~~(v) has been convicted of a felony; or~~

6 ~~(vi) has furnished the board with false or~~
7 ~~misleading information.~~

8 ~~(2) The experience, character or fitness of any owner,~~
9 ~~officer, director or manager of the licensed business entity~~
10 ~~is such that the participation of the person in horse racing~~
11 ~~or related activities would be inconsistent with the public~~
12 ~~interest or with the best interests of horse racing.~~

13 ~~(3) The licensed business entity does not have use of~~
14 ~~the racetrack or racetrack enclosure in accordance with the~~
15 ~~requirements of 4 Pa.C.S. Pt. II (relating to gaming).~~

16 ~~(4) A licensed business entity has commingled horsemen's~~
17 ~~funds in violation of section 235 A(c) or has refused to~~
18 ~~place on deposit a letter of credit under section 236 A.~~

19 ~~(5) The board determines that the licensed business~~
20 ~~entity has failed to properly maintain its racetrack and~~
21 ~~racetrack enclosure in good condition or to provide adequate~~
22 ~~capital improvements to the racetrack and racetrack enclosure~~
23 ~~as required under this act and 4 Pa.C.S. § 1404 (relating to~~
24 ~~distributions from licensee's revenue receipts).~~

25 ~~(e) Conditional licenses. Pending a final determination~~
26 ~~under this section, the board may issue a conditional license~~
27 ~~upon such terms and conditions as are necessary to effectuate~~
28 ~~the provisions of this act.~~

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

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

1 ~~(a) General rule. A business entity applying for a license~~
2 ~~or a licensed business entity shall comply with the provisions~~
3 ~~of 4 Pa.C.S. §§ 1512 (relating to financial and employment~~
4 ~~interests), 1512.1 (relating to additional restrictions) and~~
5 ~~1513 (relating to political influence).~~

6 ~~(b) Gifts. No owner, officer, manager or employee of an~~
7 ~~applicant or licensed business entity or their spouses, parents,~~
8 ~~fathers in law, mothers in law, siblings, children, sons in law~~
9 ~~or daughters in law shall accept gifts from breeders, owners,~~
10 ~~trainers or other individuals who participate in the conduct of~~
11 ~~horse racing in this Commonwealth.~~

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

13 ~~All qualified judges and starters shall be approved by the~~
14 ~~board. For standardbred horse racing meetings, no person shall~~
15 ~~be approved as a judge or starter unless the person is licensed~~
16 ~~by the United States Trotting Association as a duly qualified~~
17 ~~pari mutuel racing meeting official. All officials shall enforce~~
18 ~~the law and shall provide written reports of the activities and~~
19 ~~conduct of horse racing meetings to the board. The compensation~~
20 ~~of these officials shall be paid by the board.~~

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

22 ~~(a) General rule. The board shall develop a licensing~~
23 ~~classification system for the regulation of vendors, trainers,~~
24 ~~jockeys, drivers, horsemen's organizations, horse owners and~~
25 ~~other individuals participating in horse racing and all other~~
26 ~~persons required to be licensed as determined by the board. The~~
27 ~~license shall not be a property right.~~

28 ~~(b) Fee. The board shall fix and may establish classes for~~
29 ~~application fees to be paid by persons or licensed business~~
30 ~~entities. A license fee shall not exceed \$1,000. All fees shall~~

1 ~~be paid to the board and deposited into the State Racing Fund.~~

2 ~~(c) Application. The application shall be in the form and~~
3 ~~contain the information as the board may require.~~

4 ~~(d) Renewal. All licenses shall be subject to renewal every~~
5 ~~three years. Nothing in this act shall be construed to relieve a~~
6 ~~licensee of the affirmative duty to notify the board of any~~
7 ~~changes relating to the status of its license or to any other~~
8 ~~information contained in the application materials on file with~~
9 ~~the board. The application for renewal shall be submitted at~~
10 ~~least 60 days prior to expiration of the license and shall~~
11 ~~include an update of the information contained in the initial~~
12 ~~application and any prior renewal applications and the payment~~
13 ~~of any renewal fee required by the board. A license for which a~~
14 ~~completed renewal application and fee, if required, has been~~
15 ~~received by the board shall continue in effect unless and until~~
16 ~~the board sends written notification to the holder of the~~
17 ~~license that the board had denied the renewal of the license.~~

18 ~~(e) Licenses. The board may issue one of the following:~~

19 ~~(1) A temporary license for four months within a 12-~~
20 ~~month period pending a final determination.~~

21 ~~(2) A conditional license upon the terms and conditions~~
22 ~~as necessary to administer this act.~~

23 ~~(f) Processing and issuance. The board shall adopt~~
24 ~~regulations to fix the manner by which licenses are processed~~
25 ~~and issued.~~

26 ~~(g) Denial. The board may deny a license under this~~
27 ~~section, if it determines that the applicant:~~

28 ~~(1) Has been convicted of bookmaking or other forms of~~
29 ~~illegal gambling.~~

30 ~~(2) Has been convicted of any fraud or misrepresentation~~

1 ~~in connection with racing or breeding.~~

2 ~~(3) Has been convicted of any violation or attempt to~~
3 ~~violate any law, rule or regulation of horse racing in any~~
4 ~~jurisdiction, for which suspension from horse racing might be~~
5 ~~imposed in that jurisdiction.~~

6 ~~(4) Has been convicted of an offense under 18 Pa.C.S. §~~
7 ~~5511 (relating to cruelty to animals).~~

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

10 ~~(6) Has been convicted of an offense relating to fixing~~
11 ~~races.~~

12 ~~(7) Has been convicted of a felony offense.~~

13 ~~(8) Has failed to comply with payment requirements under~~
14 ~~section 304 relating to testing for medication.~~

15 ~~(9) The experience or character of any applicant or~~
16 ~~licensee is such that the participation in horse racing would~~
17 ~~be inconsistent with the best interest of horse racing.~~

18 ~~(h) Inspection. The board shall have the right to inspect~~
19 ~~all contracts between licensed business entities and vendors for~~
20 ~~goods and services. The board shall adopt regulations to require~~
21 ~~vendors to disclose all principal owners and officers and a~~
22 ~~description of their interests in the vendors' business. Failure~~
23 ~~to disclose this information shall constitute grounds to deny,~~
24 ~~to revoke or to suspend any vendor's license issued under this~~
25 ~~act.~~

26 ~~(i) Suspension, revocation and refusal to renew. The board~~
27 ~~may suspend, refuse to renew or revoke a license issued under~~
28 ~~this section, if:~~

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

30 ~~(i) has been convicted of bookmaking or other form~~

1 ~~of illegal gambling;~~

2 ~~(ii) has been convicted of any fraud or~~
3 ~~misrepresentation in connection with racing or breeding;~~

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

8 ~~(iv) has been convicted of an offense under 18-~~
9 ~~Pa.C.S. § 5511.~~

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

12 ~~(vi) has been convicted of a felony offense;~~

13 ~~(vii) has failed to comply with payment requirements~~
14 ~~under section 304; or~~

15 ~~(viii) has furnished the board with false or~~
16 ~~misleading information or that the information contained~~
17 ~~in the application or any renewal application is no~~
18 ~~longer true and correct.~~

19 ~~(2) The experience or character of any applicant or~~
20 ~~licensee is such that the participation of the person in~~
21 ~~horse racing or related activities would be inconsistent with~~
22 ~~the public interest or with the best interests of horse~~
23 ~~racing.~~

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

28 ~~(4) In the event of a revocation or failure to renew,~~
29 ~~the applicant's authorization to conduct previously approved~~
30 ~~activity shall immediately cease and all fees paid in~~

~~connection therewith shall be deemed to be forfeited. In the event of a suspension, the applicant's authorization to conduct the previously approved activity shall immediately cease until the board has notified the applicant that the suspension is no longer in effect.~~

~~(j) Hearings. The board may suspend a license under subsection (i) pending a hearing on the matter.~~

~~(k) Reciprocity. The board shall not grant licenses to citizens of states that prohibit the grant of licenses to citizens of this Commonwealth on the basis of in state preference.~~

~~Section 213.1 A. Providers.~~

~~(a) Totalisator provider. Beginning at the renewal of an existing contract or execution of a new contract, a person that provides totalisator services to a licensed business entity located in this Commonwealth shall be licensed by the board and remit an annual license fee not to exceed \$100,000. The license fee shall be deposited in the State Racing Fund. The provider shall submit information on operating systems and procedures as required by the board.~~

~~(b) Medical providers. A manufacturer, wholesaler, distributor or vendor of any equine drug, medication, therapeutic substance or metabolic derivative purchased by or delivered to a licensee or other individual participating in horse racing in this Commonwealth by means of Internet, mail delivery, in person delivery or other means shall be licensed by the board. The board shall develop a fee schedule to licensed medical providers under this subsection.~~

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

~~(a) General rule. The board may impose administrative fines~~

1 ~~upon any licensed or unlicensed business entity, association or~~
2 ~~person participating in horse racing at which pari-mutuel~~
3 ~~wagering is conducted, other than as a patron, for a violation~~
4 ~~of any provision of this act or rule or regulation of the board,~~
5 ~~not exceeding \$100,000 for each violation. Each day may be~~
6 ~~considered a separate violation. Fines shall be deposited in the~~
7 ~~State Racing Fund and may be appropriated for the enforcement of~~
8 ~~this act.~~

9 ~~(b) Interests.~~

10 ~~(1) No owner, officer or employee of a licensed business~~
11 ~~entity or their spouses, parents, fathers in law, mothers in~~
12 ~~law, siblings, children, sons in law or daughters in law~~
13 ~~shall have any direct or indirect interest in a race horse~~
14 ~~that is participating in a race at a meet at which the person~~
15 ~~or relative listed under this paragraph holds any interest in~~
16 ~~the licensed business entity conducting the meet or in the~~
17 ~~racetrack facility.~~

18 ~~(2) The board shall impose a fine upon any person for a~~
19 ~~violation of this subsection in accordance with subsection~~
20 ~~(a).~~

21 ~~Section 215-A. Security personnel.~~

22 ~~(a) General rule. The board shall require licensed business~~
23 ~~entities to employ persons as security personnel. Designated~~
24 ~~security personnel may interrogate, eject or exclude from the~~
25 ~~racetrack or enclosure any individual suspected of violating~~
26 ~~this act.~~

27 ~~(b) Penalty. An individual found within a race track~~
28 ~~enclosure after having been refused admission thereto or ejected~~
29 ~~therefrom shall, upon conviction, be guilty of a summary offense~~
30 ~~and be sentenced to pay a fine of not more than \$500.~~

1 ~~Section 216 A. Interstate simulcasting.~~

2 ~~The board may approve the application of a licensed business~~
3 ~~entity to electronically televise simulcasts of horse races to~~
4 ~~be operated by the licensed business entity at the race track~~
5 ~~enclosure where a horse race is being conducted during, between,~~
6 ~~before or after posted races for that racing day. Each simulcast~~
7 ~~of horse races from outside this Commonwealth shall comply with~~
8 ~~the Interstate Horseracing Act of 1978 (Public Law 95 515, 15~~
9 ~~U.S.C. § 3001 et seq.). All forms of pari mutuel wagering under~~
10 ~~section 221 A shall be allowed on horse races to be televised by~~
11 ~~simulcasting. The board shall promulgate regulations regarding~~
12 ~~the wagering and the operation of interstate simulcasting of~~
13 ~~horse racing. All money wagered on horse races shall be computed~~
14 ~~in the amount of money wagered each racing day for purposes of~~
15 ~~taxation under section 222 A.~~

16 ~~Section 216.1 A. Televised simulcastings.~~

17 ~~(a) Host licensees. Upon request by a licensed business~~
18 ~~entity, the board may designate the entity as a host licensee,~~
19 ~~authorized to maintain common pari mutuel pools on international~~
20 ~~and interstate races transmitted to and from the racetrack~~
21 ~~enclosures within this Commonwealth. All simulcasts of horse~~
22 ~~races shall comply with the provisions of the Interstate~~
23 ~~Horseracing Act of 1978 (Public Law 95 515, 15 U.S.C. § 3001 et~~
24 ~~seq.) and the laws of each state involved, placed or transmitted~~
25 ~~by an individual in one state via telephone, Internet or other~~
26 ~~electronic media and accepted and maintained in common pari~~
27 ~~mutuel pools. The designation as a host licensee for~~
28 ~~international and interstate simulcast races shall be limited to~~
29 ~~licensed business entities which comply with 4 Pa.C.S. § 1303(d)~~
30 ~~(relating to additional Category 1 slot machine license~~

1 ~~requirements).~~

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

3 ~~(1) Cross simulcasting of the races described in~~
4 ~~subsection (a) shall be permitted if all amounts wagered on~~
5 ~~the races in this Commonwealth are included in common pari-~~
6 ~~mutuel pools. A host licensee seeking permission to cross-~~
7 ~~simulcast must obtain approval from the board.~~

8 ~~(2) Forms of pari mutuel wagering shall be allowed on~~
9 ~~horse races to be televised by simulcasting. The board may~~
10 ~~permit pari mutuel pools in this Commonwealth to be combined~~
11 ~~with pari mutuel pools created under the laws of another~~
12 ~~jurisdiction and may permit pari mutuel pools created under~~
13 ~~the laws of another jurisdiction to be combined with pari-~~
14 ~~mutuel pools in this Commonwealth. The board shall promulgate~~
15 ~~regulations necessary to regulate wagering on televised~~
16 ~~simulcasts.~~

17 ~~(c) Taxation. Money wagered by patrons in this Commonwealth~~
18 ~~on horse races shall be computed by the amount of money wagered~~
19 ~~each racing day for purposes of taxation under section 222 A.~~
20 ~~Thoroughbred races shall be considered a part of a thoroughbred~~
21 ~~horse racing meeting and standardbred horse races shall be~~
22 ~~considered a part of a standardbred horse racing meeting.~~

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

24 ~~Section 218.1 A. Place and manner of conducting pari mutuel~~
25 ~~wagering.~~

26 ~~(a) Wagering location. A licensed business entity shall~~
27 ~~provide a location during a horse racing meeting within the~~
28 ~~racetrack enclosure where the licensed business entity shall~~
29 ~~operate the pari mutuel system of wagering by its patrons on the~~
30 ~~results of horse races held at the racetrack or televised to the~~

1 ~~racetrack enclosure by simulcasting under section 216.1 A. The~~
2 ~~licensed business entity shall erect a sign or board compatible~~
3 ~~with the totalisator systems which shall display all of the~~
4 ~~following:~~

5 ~~(1) The approximate straight odds on each horse in any~~
6 ~~race.~~

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

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

10 ~~(4) The value of a winning daily double ticket, if a~~
11 ~~daily double is conducted, and any other information that the~~
12 ~~board deems necessary to inform the general public.~~

13 ~~(b) Equipment. The board may test and examine the equipment~~
14 ~~to be used for the display of the information under subsection~~
15 ~~(a).~~

16 ~~(c) Electronic wagering. A licensed business entity may~~
17 ~~operate electronic wagering on horse racing in accordance with~~
18 ~~all of the following:~~

19 ~~(1) Messages to place wagers shall be to a place within~~
20 ~~the racetrack enclosure.~~

21 ~~(2) Money used to place wagers under this subsection~~
22 ~~shall be on deposit in an amount sufficient to cover the~~
23 ~~wager at the racetrack where the account is opened.~~

24 ~~The board may promulgate regulations necessary to regulate~~
25 ~~electronic wagering for horse racing.~~

26 ~~(d) Taxation. Money wagered as a result of electronic~~
27 ~~wagering shall be included in the amount wagered each racing day~~
28 ~~for purposes of taxation under section 222 A and shall be~~
29 ~~included in the same pari mutuel pools for each posted race.~~
30 ~~Electronic wagering shall be operated by the licensed business~~

1 ~~entity or by a duly licensed vendor.~~

2 ~~(e) Conditions.~~

3 ~~(1) A licensed business entity shall only accept and~~
4 ~~tabulate a wager by a direct request via electronic media~~
5 ~~from the holder of an electronic wagering account. Only the~~
6 ~~holder of the electronic wagering account shall place a~~
7 ~~wager.~~

8 ~~(2) Any person who violates this subsection commits a~~
9 ~~misdemeanor of the first degree.~~

10 ~~(f) Primary market area.~~

11 ~~(1) No licensed business entity may accept a wager or~~
12 ~~establish electronic wagering for any person located in the~~
13 ~~primary market area of a racetrack, other than the racetrack~~
14 ~~at which the licensed business entity is conducting a racing~~
15 ~~meet.~~

16 ~~(2) Nothing in this subsection shall be construed to~~
17 ~~prohibit a licensed business entity from accepting a wager~~
18 ~~from or establishing an electronic wagering account for any~~
19 ~~person located in the primary market area of the racetrack~~
20 ~~where the licensed business entity is conducting a meet. If~~
21 ~~two tracks share the primary market area, both racetracks~~
22 ~~shall have equal rights to the market in the shared area.~~

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

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

25 ~~(1) Notwithstanding any other provisions of this act,~~
26 ~~beginning January 2015, the board may approve a licensed~~
27 ~~business entity to continue to operate a nonprimary location~~
28 ~~where it has conducted pari mutuel wagering on horse races~~
29 ~~conducted by the licensed business entity. The licensed~~
30 ~~business entity may continue to conduct pari mutuel wagering~~

1 ~~at the location on horse races conducted by another licensed~~
2 ~~business entity, which horse races may be televised to the~~
3 ~~location or on horse races simulcast to the location under~~
4 ~~section 216 A, provided that:~~

5 ~~(i) A licensed business entity has not established a~~
6 ~~nonprimary location within the primary market area of any~~
7 ~~racetrack other than a racetrack where the licensed~~
8 ~~business entity conducts racing meetings. Establishment~~
9 ~~of a nonprimary location by a licensed business entity~~
10 ~~within the primary market area of a racetrack where the~~
11 ~~licensed business entity conducts racing meetings shall~~
12 ~~require approval of the board.~~

13 ~~(ii) A licensed business entity has not established~~
14 ~~a nonprimary location within the secondary market area of~~
15 ~~a racetrack if the nonprimary location is approved by the~~
16 ~~board.~~

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

21 ~~(2) Except as provided under paragraph (1), no~~
22 ~~additional licenses shall be permitted.~~

23 ~~(3) The board shall annually conduct inspections of the~~
24 ~~primary facility.~~

25 ~~(4) The regulatory authority of the board shall apply to~~
26 ~~nonprimary locations and any employees or vendors of the~~
27 ~~licensed business entity establishing the nonprimary~~
28 ~~location.~~

29 ~~(b) (Reserved).~~

30 ~~(c) Taxation and records. Money wagered at all primary and~~

1 ~~nonprimary locations under this act shall be included in common~~
2 ~~pari mutuel pools. Money wagered by patrons on the races shall~~
3 ~~be computed by the amount of money wagered each racing day for~~
4 ~~purposes of taxation under section 222 A. The licensed business~~
5 ~~entity conducting the racing meeting and maintaining the pari~~
6 ~~mutuel pools shall maintain accurate records of the amount~~
7 ~~wagered in each pool from every primary and nonprimary location.~~

8 ~~(d) Retention. Money retained under section 222 A(e) shall~~
9 ~~be calculated for each location where pari mutuel wagering is~~
10 ~~being conducted. If wagering has taken place at a nonprimary~~
11 ~~location where the wagering is conducted by a licensed business~~
12 ~~entity other than the licensed business entity conducting the~~
13 ~~racing meeting, the licensed business entity conducting the~~
14 ~~racing meeting shall retain any money to which it is entitled by~~
15 ~~agreement. The licensed business entity conducting the meeting~~
16 ~~shall pay over the balance of the retained money to the licensed~~
17 ~~business entity conducting the wagering at the nonprimary~~
18 ~~location.~~

19 ~~(e) Payment of purses. A licensed business entity~~
20 ~~conducting a racing meeting where pari mutuel wagering is~~
21 ~~conducted at one or more nonprimary locations shall distribute~~
22 ~~money to the horseman's organization representing a majority of~~
23 ~~owners and trainers at its racetrack, or in accordance with the~~
24 ~~practice of the parties, to be used for payment of purses at~~
25 ~~that racetrack, as follows:~~

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

29 ~~(2) When the gross wagering handle on the races at a~~
30 ~~nonprimary location on a given day is less than \$30,000, the~~

1 ~~percentage may not be less than 3%.~~

2 ~~(3) When the gross wagering handle on the races at a~~
3 ~~nonprimary location on a given day is between \$30,000 and~~
4 ~~\$75,000 inclusive, the percentage may not be less than 4.75%.~~

5 ~~(4) Whenever a nonprimary location is within the primary~~
6 ~~market area of a licensed business entity other than the~~
7 ~~licensed business entity conducting the races, the applicable~~
8 ~~percentage shall be distributed one half to the horseman's~~
9 ~~organization representing a majority of owners and trainers~~
10 ~~at the racetrack or in accordance with the practice of the~~
11 ~~parties.~~

12 ~~(5) Where the racing meeting is being conducted to be~~
13 ~~used for the payment of purses at the racetrack and one half~~
14 ~~to the horseman's organization, or in accordance with the~~
15 ~~practice of the parties, at the racetrack within the primary~~
16 ~~market area to be used for the payment of purses at the~~
17 ~~racetrack.~~

18 ~~Nothing in this subsection shall be construed to prevent a~~
19 ~~licensed business entity from agreeing to distribute amounts~~
20 ~~greater than the percentages set forth in this subsection.~~

21 ~~However, if no alternative agreement has been reached, the total~~
22 ~~percentage for purses under this subsection shall be paid in~~
23 ~~accordance with the minimum percentages set forth in this~~
24 ~~subparagraph.~~

25 ~~(f) Other payments. Notwithstanding any other provision of~~
26 ~~this act, a nonprimary location may be established within the~~
27 ~~primary market area of a racetrack by agreement between the~~
28 ~~licensed business entity and the horseman's organization~~
29 ~~representing a majority of the owners and trainers at the~~
30 ~~racetrack specifying the total percentage of handle wagered at~~

1 ~~the nonprimary location to be distributed to the horseman's~~
2 ~~organization, or in accordance with the practice of the parties,~~
3 ~~to be used for the payment of purses at that racetrack. If no~~
4 ~~agreement is reached covering the locations, the total~~
5 ~~percentage to be paid for purses shall be the same as that~~
6 ~~applied to on track wagering at the racetrack located within the~~
7 ~~primary market area.~~

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

9 ~~Every Category 1 licensed facility that conducts a horse~~
10 ~~racing meeting at which pari mutuel wagering is authorized,~~
11 ~~shall maintain books and records that clearly show by separate~~
12 ~~record the total amount of money contributed to every pari~~
13 ~~mutuel pool. The Department of Revenue or its authorized~~
14 ~~representative shall have access to examine all books and~~
15 ~~records and ascertain whether the proper amount due to the State~~
16 ~~is being paid by the licensed business entity.~~

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

18 ~~A licensed business entity shall promptly file with the board~~
19 ~~any lease agreement concerning any concession, labor management~~
20 ~~relation, hiring of designated classes of officers, employees or~~
21 ~~contractors specified by the board or any other contract or~~
22 ~~agreement as the board may prescribe.~~

23 ~~Section 221 A. Tax.~~

24 ~~(a) Fund. There is hereby established in the State Treasury~~
25 ~~the State Racing Fund. A licensed business entity that conducts~~
26 ~~horse racing meetings shall pay a tax to the Department of~~
27 ~~Revenue for deposit in the State Racing Fund.~~

28 ~~(b) Tax rate. The tax imposed on a licensed entity shall be~~
29 ~~1.5% of the amount wagered each racing day and 2.5% of the total~~
30 ~~amount on an exacta, daily double, quinella and trifecta wager.~~

~~(c) Expenditures. Funds collected and deposited under subsection (b) and any interest shall be used solely for the administration and enforcement of this act including:~~

~~(1) Funds to the board in an amount appropriated by the General Assembly.~~

~~(2) Funds to the Department of Revenue in an amount appropriated by the General Assembly.~~

~~(d) Remainder. The remainder of the money shall be distributed as follows:~~

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

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

~~(3) The remainder of the amount wagered each racing day shall be deposited in the State Racing Fund, for appropriation for the promotion of horse racing.~~

~~Section 222 A. Pari mutuel pool distribution.~~

~~(a) Distribution. A licensed business entity shall distribute money in a pari mutuel pool to the holders of winning ticket presented for payment before the first day of April of the year following the date of purchase. After April 1 of the year following the year of purchase, a licensed business entity shall forward the necessary funds held for uncashed tickets to the Department of Revenue. The funds shall be deposited into the State Racing Fund.~~

1 ~~(b) Remainder. The remainder of the money shall be retained~~
2 ~~by the licensed entity in the following manner:~~

3 ~~(1) Seventeen percent of the money plus the breakage~~
4 ~~from regular wagering pools or 19% of the money plus the~~
5 ~~breakage from regular wagering pools for licensed entities~~
6 ~~whose daily total in all pari mutuel pools averaged less than~~
7 ~~\$300,000.~~

8 ~~(2) Twenty percent of the money plus breakage from the~~
9 ~~exacta, daily double, quinella and other wagering pools as~~
10 ~~determined by the board.~~

11 ~~(3) At least 26%, but no more than 35%, from the~~
12 ~~trifecta or other wagering pools as determined by the board.~~

13 ~~(c) Retention. A licensed business entity may retain less~~
14 ~~percentages upon approval of the board.~~

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

19 ~~Section 223 A. Pennsylvania Breeding Fund.~~

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

25 ~~(b) Awards from the Pennsylvania Breeding Fund. The~~
26 ~~Department of Revenue shall distribute money from the~~
27 ~~Pennsylvania Breeding Fund as follows:~~

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

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

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

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

~~(c) Purses from Pennsylvania Breeding Fund. Up to one fifth of the total of the estimated Pennsylvania Breeding Fund money remaining each year after the deduction of expenses related to the administration and development of the Pennsylvania Breeding Fund program and the payment of breeder, stallion and owner~~

1 ~~awards, shall be divided among the licensed business entities~~
2 ~~that conduct thoroughbred horse racing meetings in direct~~
3 ~~proportion to the rate by which each licensed business entity~~
4 ~~generated the fund money during the previous year to be used~~
5 ~~solely for purses for Pennsylvania Breeding Fund stakes races~~
6 ~~which restrict entry to registered Pennsylvania bred~~
7 ~~thoroughbred horses.~~

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

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

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

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

1 ~~(e.1) Committee. There is hereby established the~~
2 ~~Pennsylvania Breeding Fund Advisory Committee. The committee~~
3 ~~shall consist of members, who are residents of Pennsylvania, to~~
4 ~~be appointed by the board by June 1 of each year. The committee~~
5 ~~shall consist of two members of the Pennsylvania Horse Breeders'~~
6 ~~Association, one member from the licensed business entities, one~~
7 ~~member from the association representing horsemen racing in~~
8 ~~Pennsylvania and one member of the board. If a member other than~~
9 ~~the board member has not been recommended by June 1 of each~~
10 ~~year, the board shall make an appointment for the organization~~
11 ~~failing to so recommend a member of the committee. The committee~~
12 ~~shall assist and advise the board under the provisions of this~~
13 ~~act but shall have no power in administering the fund. Members~~
14 ~~of the advisory committee shall not receive compensation or~~
15 ~~reimbursements for participation on the committee.~~

16 ~~(f) Pennsylvania Horse Breeders' Association. The board~~
17 ~~shall contract with the Pennsylvania Horse Breeders' Association~~
18 ~~as the organization responsible body for the registration and~~
19 ~~records of Pennsylvania bred horses. The Pennsylvania Horse~~
20 ~~Breeders' Association shall advise the board when called upon~~
21 ~~and shall determine the qualifications for Pennsylvania bred~~
22 ~~thoroughbred horses and Pennsylvania sires. Registration and~~
23 ~~records of the association shall be official records of the~~
24 ~~Commonwealth. At the close of each calendar year, the~~
25 ~~Pennsylvania Horse Breeders' Association shall submit to the~~
26 ~~board for its approval an itemized budget of projected expenses~~
27 ~~for the ensuing year relating to the administration and~~
28 ~~development of the Pennsylvania Breeding Fund program. The board~~
29 ~~shall reimburse the Pennsylvania Horse Breeders' Association for~~
30 ~~those expenses actually incurred in the administration and~~

1 ~~development of the Pennsylvania Breeding Fund program from the~~
2 ~~Pennsylvania Breeding Fund, no more than on a quarterly basis.~~
3 ~~No more than 5% of the fund may be utilized for administrative~~
4 ~~costs.~~

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

6 ~~(a) Establishment. There is created a restricted account in~~
7 ~~the State Racing Fund to be known as the Pennsylvania Sire~~
8 ~~Stakes Fund which shall consist of the money deposited under~~
9 ~~section 222 A and which shall be administered by the board.~~

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

12 ~~(1) Sixty percent of the money remaining in the excess~~
13 ~~fund account of the Pennsylvania Sire Stakes Fund at the end~~
14 ~~of the calendar year in which this subsection is enacted~~
15 ~~shall be distributed to licensed business entities that~~
16 ~~conduct standardbred horse racing meetings to be used in the~~
17 ~~next succeeding calendar year as purse money for~~
18 ~~Pennsylvania sired horses. The remaining 40% of the money in~~
19 ~~the excess fund account at the end of the calendar year of~~
20 ~~the enactment of this subsection, together with the interest~~
21 ~~earned on that money, shall be distributed to licensed~~
22 ~~business entities that conduct standardbred horse racing~~
23 ~~meetings to be used in the next succeeding calendar year~~
24 ~~following the next succeeding calendar year as purse money~~
25 ~~for Pennsylvania sired horses.~~

26 ~~(2) After deduction of sufficient funds to cover the~~
27 ~~board's cost of administration, 80% of all remaining money in~~
28 ~~the Pennsylvania Sire Stakes Fund at the end of the calendar~~
29 ~~year shall be distributed to licensed business entities that~~
30 ~~conduct standardbred horse racing meetings to be used as~~

~~1 purse money for Pennsylvania sired horses. The board may
2 allocate up to a total of 40% of the amount to be distributed
3 to licensed business entities in a calendar year for use for
4 a series of championship final races at the race tracks of
5 licensed business entities that conduct standardbred horse
6 racing meetings. The board shall distribute the money to
7 these championship final races in an equal amount for each
8 sex, age and gait for two year old and three year old
9 trotters and pacers based on conditions establishing
10 eligibility to these final events. No pari mutuel
11 standardbred racetrack shall be awarded more than 50% of the
12 championship final races in any calendar year. The board
13 shall schedule these final events so as to evenly alternate
14 classes at each race track each year. After the allocation
15 for the championship final races has been determined, the
16 remaining funds to be distributed to licensed business
17 entities that conduct standardbred horse racing meetings
18 shall be divided equally among the licensed business
19 entities. Each licensed business entity shall divide the
20 funds received equally for each of:~~

~~21 (i) 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 (ii) four three year old races; one pace for colts,
25 one pace for fillies, one trot for colts and one trot for
26 fillies.~~

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

~~30 (d) Entry restriction. Entry for these races shall be~~

1 ~~limited to standardbred horses which were sired by a~~
2 ~~standardbred stallion regularly standing in Pennsylvania and~~
3 ~~each race shall be designated a Pennsylvania sire stakes race.~~
4 ~~The board shall adopt regulations as necessary to administer the~~
5 ~~entry restriction.~~

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

7 ~~(a) Distribution. The Department of Agriculture shall~~
8 ~~distribute money in the Fair Fund annually, on or before March~~
9 ~~1, for reimbursement for each county agricultural society and~~
10 ~~each independent agricultural society conducting standardbred~~
11 ~~horse racing during its annual fair, other than races for two~~
12 ~~year old and three year old colts and fillies, an amount of~~
13 ~~money equal to that used during their annual fair as purse money~~
14 ~~for standardbred horse racing, track and stable maintenance,~~
15 ~~starting gate rental and the cost of all standardbred horse~~
16 ~~racing officials required during their annual fair. The~~
17 ~~reimbursement amount may not be more than \$13,000, a minimum of~~
18 ~~\$4,000 of which must be used for purse money and the balance of~~
19 ~~the allotment per fair, not used for purse money over the~~
20 ~~minimum \$4,000 allotment, shall be used for the specific~~
21 ~~purposes referenced above or otherwise the allotment shall be~~
22 ~~retained in the fund.~~

23 ~~(b) Inspection. The Department of Agriculture shall~~
24 ~~annually inspect each track facility at a county fair and advise~~
25 ~~each operating fair about track maintenance which is necessary~~
26 ~~to ensure adequate racing surface during the course of scheduled~~
27 ~~fairs and racing events. If it is the opinion of the Department~~
28 ~~of Agriculture that the fair society or event sponsor is not~~
29 ~~adequately financing track maintenance, the Department of~~
30 ~~Revenue shall surcharge the Fair Fund account of the fair~~

1 ~~society or event sponsor to effectuate the remediation.~~

2 ~~Section 226 A. Hearing.~~

3 ~~If the board denies any license application or revokes or~~
4 ~~suspends any license granted, an applicant or licensee may~~
5 ~~demand, within ten days after notice of the decision of the~~
6 ~~board, a hearing before the board. The provisions of 2 Pa.C.S.~~
7 ~~Chs. 5 Subch. A (relating to practice and procedure of~~
8 ~~Commonwealth agencies) and 7 Subch. A (relating to judicial~~
9 ~~review of Commonwealth agency action) shall apply.~~

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

11 ~~Section 228 A. Prohibition of wagering.~~

12 ~~No board member or employee of the board shall wager upon the~~
13 ~~outcome of any horse race conducted at or simulcast to a track~~
14 ~~at which pari mutuel wagering is conducted by any licensed~~
15 ~~business entity of the board. No licensed business entity shall~~
16 ~~permit any person who is actually and apparently under 18 years~~
17 ~~of age to wager at a racing meeting conducted by the licensed~~
18 ~~business entity. No licensed business entity shall permit any~~
19 ~~person who is under 18 years of age to attend a horse racing~~
20 ~~meeting conducted by the licensed business entity unless the~~
21 ~~person is accompanied by a parent or guardian. This section~~
22 ~~shall not be construed to prohibit persons under 18 years of~~
23 ~~age, who are legally employed, from being upon the race track~~
24 ~~premises for the sole purpose of engaging in the performance of~~
25 ~~their duties as employees.~~

26 ~~Section 229 A. Veterinarians and State stewards.~~

27 ~~(a) General rule. The board shall have the authority to~~
28 ~~contract with licensed veterinarians, stewards and other~~
29 ~~personnel deemed appropriate by the board to serve at each~~
30 ~~meeting conducted by a licensed business entity. The board may~~

1 ~~employ other individuals as shall be necessary to carry out the~~
2 ~~responsibilities of this section.~~

3 ~~(b) Costs and compensation. The costs and compensation of~~
4 ~~the horse racing veterinarians, State stewards and other~~
5 ~~personnel shall be fixed and paid by the board from the State~~
6 ~~Racing Fund.~~

7 ~~(c) Agricultural society horse racing. The department of~~
8 ~~agriculture may promulgate regulations to oversee horse racing~~
9 ~~conducted by a county agricultural society or an independent~~
10 ~~agricultural society, as provided for under section 5(1)(iii)~~
11 ~~and (iv) of the act of July 8, 1986 (P.L.437, No.92), known as~~
12 ~~the Pennsylvania Agricultural Fair Act.~~

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

14 ~~Section 231 A. Promotions and discounts.~~

15 ~~The board may approve a licensed business entity to issue a~~
16 ~~free pass, card or badge for a special promotional program and~~
17 ~~seasonal discount ticket program.~~

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

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

20 ~~A licensed business entity conducting pari mutuel wagering~~
21 ~~shall display on video screens the approximate odds or~~
22 ~~approximate will pays on each horse for each race as well as a~~
23 ~~combination of races, including quinellas, exactas, perfectas~~
24 ~~and any other combination or pool of races. A display of~~
25 ~~approximate odds or approximate will pays is not required where~~
26 ~~the wager is on horses in four or more races, such as "Pick 4,~~
27 ~~Pick 5 or Pick 6." In addition to displaying the amount of money~~
28 ~~wagered, the approximate odds or approximate will pays on each~~
29 ~~horse or combination of horses must be shown on video screens in~~
30 ~~each wagering division. For trifectas, in lieu of odds or~~

1 ~~approximate will pays, the amount of money being wagered on each~~
2 ~~horse to win in the trifecta pool must be displayed on video~~
3 ~~screens separately from any other information. Information must~~
4 ~~be displayed from the opening of bets or wagering and be~~
5 ~~continually displayed until the wagering is closed. At least one~~
6 ~~video screen in each wagering division shall display the amount~~
7 ~~of money wagered on each horse involved in a trifecta pool.~~

8 ~~Section 234 A. Simulcasting.~~

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

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

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

18 ~~(d) Regulations. The board may promulgate regulations on~~
19 ~~wagering and the operation of horse racing.~~

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

23 ~~(f) Thoroughbred and standardbred horse racetracks. If a~~
24 ~~simulcast is between a thoroughbred racetrack and a standardbred~~
25 ~~horse racetrack, the board has jurisdiction. An approval~~
26 ~~required under this section must be received from the board,~~
27 ~~provided that if an agreement is not reached between the~~
28 ~~organization representing the horsemen, the licensed business~~
29 ~~entity may petition the court of common pleas in the county in~~
30 ~~which the licensed entity's racetrack is located. The court of~~

1 ~~common pleas may direct the organization representing the~~
2 ~~horsemen to approve the simulcast agreement upon good cause~~
3 ~~shown by the licensed business entity that failure to consent~~
4 ~~would be detrimental to the racing industry in this~~
5 ~~Commonwealth. The board may authorize the simulcasting if the~~
6 ~~simulcasting will have a significant value to the racing~~
7 ~~industry in this Commonwealth.~~

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

11 ~~Section 235 A. Commingling.~~

12 ~~(a) Applicability. This section is applicable only to~~
13 ~~licensed business entities that conduct thoroughbred racing.~~

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

23 ~~(c) Horsemen's Account. A licensed business entity shall~~
24 ~~maintain a separate account, to be known as a Horsemen's~~
25 ~~Account. Money owed to owners in regard to purses, stakes,~~
26 ~~rewards, claims and deposits shall be deposited into the~~
27 ~~Horsemen's Account. Funds in the account are recognized and~~
28 ~~denominated as being the sole property of owners. Deposited~~
29 ~~funds may not be commingled with funds of the licensed business~~
30 ~~entity unless a licensed business entity established an~~

~~1 irrevocable clean letter of credit with an evergreen clause in
2 favor of the organization which represents a majority of the
3 owners and trainers racing with the licensed business entity.
4 The minimum amount of the credit must be the greater of
5 \$1,000,000 or 110% of the highest monthly balance in the
6 Horsemen's Account in the immediate prior year. To calculate the
7 monthly balance in the Horsemen's Account, the sum of the daily
8 balances shall be divided by the number of days in the month.
9 The evergreen clause must provide that:~~

~~10 (1) thirty days prior to the expiration of the letter of
11 credit, the financial institution can elect not to renew the
12 letter of credit;~~

~~13 (2) upon an election under paragraph (1), the financial
14 institution must notify the designee of the organization that
15 represents a majority of the owners and trainers racing with
16 the licensed business entity, by registered mail, return
17 receipt requested, of the election not to renew; and~~

~~18 (3) the financial institution will honor the letter of
19 credit for six months after expiration.~~

~~20 Purse money earned by owners shall be deposited by the licensed
21 business entity in the Horsemen's Account within 48 hours after
22 the result of the race in which the money was earned has been
23 declared official and the purse has been released by the board.~~

~~24 (d) Accounting. A licensed business entity shall designate
25 individuals authorized to receive and disburse funds from the
26 Horsemen's Account. Individuals designated under this subsection
27 shall be bonded to provide indemnity for malfeasance,
28 nonfeasance and misfeasance. A certified copy of the bond shall
29 be filed with the board.~~

~~30 (e) Examination, access and records. The Horsemen's Account~~

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

12 ~~(f) Auditing and monthly statements. The Horsemen's Account~~
13 ~~shall be audited annually and at any other time determined by~~
14 ~~the board. Monthly statements shall be provided to the designee~~
15 ~~of the organization which represents a majority of the owners~~
16 ~~and trainers racing with the licensed business entity and the~~
17 ~~board.~~

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

1 ~~Section 236 A. Standardbred horse racing purse money.~~

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

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

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

11 ~~(a) [The commissions shall have in effect at all times when]~~
12 ~~When a licensed [corporation] business entity conducts a horse~~
13 ~~racing meeting with pari mutuel wagering the board shall have in~~
14 ~~effect rules or regulations to control the use and~~
15 ~~administration of any medication and the use and administration~~
16 ~~of any device that affects the performance of a race horse. The~~
17 ~~[commissions may establish permitted tolerance levels and~~
18 ~~therapeutic dose allowances for all medication to be used or~~
19 ~~administered to a race horse.] board shall adopt a comprehensive~~
20 ~~schedule of equine drugs, medications, therapeutic substances or~~
21 ~~metabolic derivatives which are authorized to be administered to~~
22 ~~race horses, including tolerance levels and therapeutic dose~~
23 ~~allowances. The board shall consult with the Pennsylvania Board~~
24 ~~of Veterinary Medicine, academic institutes in other states and~~
25 ~~experts as necessary to develop the approved schedule.~~

26 ~~(b) The [commissions] board shall establish in their rules~~
27 ~~or regulations penalty provisions for the violation of these~~
28 ~~rules or regulations.~~

29 Section 5. ~~Section 302(a) and (c) of the act, amended May~~
30 ~~16, 1986 (P.L.205, No.63), are amended to read:~~

1 ~~Section 302. Establishment of the Pennsylvania Race Horse~~
2 ~~Testing Program.~~

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

22 * * *

23 ~~[(c) In order to evaluate the effectiveness of testing~~
24 ~~services performed by personnel of the Department of Agriculture~~
25 ~~and determine whether the manner in which these services are~~
26 ~~provided, the tests utilized and tolerance levels permitted~~
27 ~~should be modified, the commissions shall equally fund a~~
28 ~~contracted evaluation of existing laboratory services to be~~
29 ~~conducted by a nongovernmental entity with documented expertise~~
30 ~~to accurately evaluate existing laboratory services and~~

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

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

13 ~~Section 304. Costs of the enforcement of the medication rules~~
14 ~~or regulations.~~

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

26 ~~Section 6.1. The following shall apply:~~

27 ~~(1) Notwithstanding any other law, no later than 180~~
28 ~~days after the effective date of this section, the State~~
29 ~~Horse Racing Commission and the State Harness Racing~~
30 ~~Commission shall cease to exist and the powers and duties of~~

1 ~~the State Horse Racing Commission and the State Harness~~
2 ~~Racing Commission shall be transferred to the Pennsylvania~~
3 ~~Gaming Control Board. Notification of the date of the~~
4 ~~transfer of the powers and duties of the State Horse Racing~~
5 ~~Commission and State Harness Racing Commission to the~~
6 ~~Pennsylvania Gaming Control Board shall be submitted by the~~
7 ~~Pennsylvania Gaming Control Board for publication in the~~
8 ~~Pennsylvania Bulletin.~~

9 ~~(2) Upon the transfer of the powers and duties of the~~
10 ~~State Horse Racing Commission and the State Harness Racing~~
11 ~~Commission to the Pennsylvania Gaming Control Board, the~~
12 ~~following shall apply:~~

13 ~~(i) The following shall be transferred to and shall~~
14 ~~become employees of the Pennsylvania Gaming Control Board~~
15 ~~and their status as an employee of the Department of~~
16 ~~Agriculture shall cease:~~

17 ~~(A) An individual who is employed by the~~
18 ~~Department of Agriculture and assigned to the State~~
19 ~~Horse Racing Commission or the State Harness Racing~~
20 ~~Commission.~~

21 ~~(B) An individual who is employed by the~~
22 ~~Department of Agriculture and whose duties~~
23 ~~substantially involve licensing or enforcement, the~~
24 ~~development of laws or the development or adoption of~~
25 ~~regulations or policy related to horse racing under~~
26 ~~the act or who have other discretionary authority~~
27 ~~which may affect the outcome of an action, proceeding~~
28 ~~or decision under the act.~~

29 ~~(ii) Subject to the provisions of subparagraphs~~
30 ~~(xii), (xiii) and (xiv), the Pennsylvania Gaming Control~~

1 ~~Board shall establish salaries and other compensation for~~
2 ~~an individual transferred under subparagraph (i) in~~
3 ~~accordance with the existing policies of the Pennsylvania~~
4 ~~Gaming Control Board.~~

5 ~~(iii) An individual transferred under subparagraph~~
6 ~~(i) shall remain a State employee for purposes of 71~~
7 ~~Pa.C.S. Pt. XXV and the individual's service shall be~~
8 ~~considered continual and uninterrupted.~~

9 ~~(iv) Subject to the provisions of subparagraphs~~
10 ~~(xii), (xiii) and (xiv), on and after the date of~~
11 ~~transfer to the Pennsylvania Gaming Control Board, a~~
12 ~~transferred employee shall be eligible for paid holidays~~
13 ~~and the accrual of sick and annual leave and any other~~
14 ~~leave in accordance with the policies of the Pennsylvania~~
15 ~~Gaming Control Board.~~

16 ~~(v) Sick and annual leave accrued by a transferred~~
17 ~~employee prior to the date of transfer shall be~~
18 ~~transferred based upon the accrued sick and annual leave~~
19 ~~balances credited to the transferred employee by the~~
20 ~~Department of Agriculture as of the day immediately~~
21 ~~preceding the transferred employee's date of transfer.~~

22 ~~(vi) The Department of Agriculture shall provide~~
23 ~~payment to the Pennsylvania Gaming Control Board for the~~
24 ~~accrued sick and annual leave time transferred under~~
25 ~~subparagraph (v). Within 30 days of the transfer of~~
26 ~~employees, the Department of Agriculture shall provide in~~
27 ~~writing to the Pennsylvania Gaming Control Board all~~
28 ~~leave information requested by the Pennsylvania Gaming~~
29 ~~Control Board for employees transferred under~~
30 ~~subparagraph (i).~~

1 ~~(vii) Subject to the provisions of subparagraphs~~
2 ~~(xii), (xiii) and (xiv), accrued sick or annual leave~~
3 ~~which exceeds the maximum allowed by the policies of the~~
4 ~~Pennsylvania Gaming Control Board in effect on the day~~
5 ~~immediately preceding the date of transfer and any other~~
6 ~~leave may not be transferred and credited. The Department~~
7 ~~of Agriculture shall provide a lump sum payment to an~~
8 ~~individual transferred under subparagraph (i) for sick or~~
9 ~~annual leave and any other leave which is not transferred~~
10 ~~and credited under this paragraph.~~

11 ~~(viii) Subject to the provisions of subparagraphs~~
12 ~~(xii), (xiii) and (xiv), transferred employees and their~~
13 ~~dependents shall continue to be eligible to receive~~
14 ~~medical plan benefits, supplemental benefits and other~~
15 ~~benefits as determined by the trustees of the~~
16 ~~Pennsylvania Employees Benefits Trust Fund.~~

17 ~~(ix) Subject to the provisions of subparagraphs~~
18 ~~(xii), (xiii) and (xiv), transferred employees and their~~
19 ~~dependents shall continue to be eligible to elect~~
20 ~~coverage upon retirement under the Retired Employees~~
21 ~~Health Program.~~

22 ~~(x) The Department of Agriculture shall be obligated~~
23 ~~and required to provide a lump sum payment to the~~
24 ~~Pennsylvania Gaming Control Board to underwrite or offset~~
25 ~~the cost of accrued Retired Employees Health Program and~~
26 ~~pension benefits.~~

27 ~~(xi) The Pennsylvania Gaming Control Board shall~~
28 ~~submit a report to the chairman and minority chairman of~~
29 ~~the Appropriations Committee of the Senate and the~~
30 ~~chairman and minority chairman of the Appropriations~~

1 ~~Committee of the House of Representatives containing the~~
2 ~~expenditures for compensation and related expenditures~~
3 ~~for individuals who are transferred under this section.~~

4 ~~(xii) All collective bargaining agreements and~~
5 ~~memoranda of understanding, including any side letters~~
6 ~~attendant to a collective bargaining agreement and~~
7 ~~memoranda of understanding, between the Commonwealth and~~
8 ~~an employee organization covering employees transferred~~
9 ~~under subparagraph (i) shall remain in force and effect.~~
10 ~~The Pennsylvania Gaming Control Board shall become a~~
11 ~~signatory to the collective bargaining agreements and~~
12 ~~memoranda of understanding.~~

13 ~~(xiii) An employee transferred under subparagraph~~
14 ~~(i) shall retain the right to union representation and~~
15 ~~collective bargaining as an employee of the Pennsylvania~~
16 ~~Gaming Control Board.~~

17 ~~(xiv) Within 90 days after the effective date of~~
18 ~~this section, the Pennsylvania Gaming Control Board and~~
19 ~~the employee organization representing transferred~~
20 ~~employees shall enter into negotiations for purposes of~~
21 ~~negotiating terms specific to the transferred employees,~~
22 ~~including promotions, transfers, seniority and other~~
23 ~~necessary items.~~

24 ~~(xv) Nothing under this act shall be construed to~~
25 ~~require an employee transferred to the Pennsylvania~~
26 ~~Gaming Control Board under subparagraph (i) to obtain a~~
27 ~~license or permit under this act or 4 Pa.C.S. Pt. II as a~~
28 ~~condition of employment with the Pennsylvania Gaming~~
29 ~~Control Board.~~

30 ~~Section 7. When the Pennsylvania Gaming Control Board is~~

1 ~~prepared to implement this act, it shall transmit notice to the~~
2 ~~Legislative Reference Bureau for publication in the Pennsylvania~~
3 ~~Bulletin.~~

4 ~~Section 8. This act shall take effect as follows:~~

5 ~~(1) The following provisions shall take effect~~
6 ~~immediately:~~

7 ~~(i) Section 7 of this act.~~

8 ~~(ii) This section.~~

9 ~~(2) The remainder of this act shall take effect upon the~~
10 ~~earlier of the following:~~

11 ~~(i) The date of publication of the notice under~~
12 ~~section 7 of this act.~~

13 ~~(ii) In 180 days.~~

14 SECTION 1. SECTION 102 OF THE ACT OF DECEMBER 17, 1981 <--
15 (P.L.435, NO.135), KNOWN AS THE RACE HORSE INDUSTRY REFORM ACT,
16 AMENDED OR ADDED MAY 16, 1986 (P.L.205, NO.63) AND NOVEMBER 30,
17 1988 (P.L.1090, NO.127), IS AMENDED 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
21 MEANINGS GIVEN TO THEM IN THIS SECTION:

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

24 "ADVANCE DEPOSIT ACCOUNT WAGERING." A FORM OF PARI-MUTUEL
25 WAGERING IN WHICH AN INDIVIDUAL MAY ESTABLISH AN ACCOUNT WITH A
26 PERSON LICENSED BY THE COMMISSION, AND MAY PLACE A PARI-MUTUEL
27 WAGER THROUGH THAT ACCOUNT.

28 "APPLICANT." A PERSON WHO, ON HIS OWN BEHALF OR ON BEHALF OF
29 ANOTHER, IS APPLYING FOR PERMISSION TO ENGAGE IN AN ACT OR
30 ACTIVITY WHICH IS REGULATED UNDER THE PROVISIONS OF THIS ACT. IF

1 THE APPLICANT IS A PERSON OTHER THAN AN INDIVIDUAL, THE
2 COMMISSION SHALL DETERMINE THE ASSOCIATED PERSONS WHOSE
3 QUALIFICATIONS ARE NECESSARY AS A PRECONDITION TO THE LICENSING
4 OF THE APPLICANT.

5 "BACKSIDE AREA." AS DEFINED IN 4 PA.C.S. § 1103 (RELATING TO
6 DEFINITIONS).

7 "BREAKAGE." THE ODD CENTS OF REDISTRIBUTIONS TO BE MADE ON
8 CONTRIBUTIONS TO PARI-MUTUEL POOLS EXCEEDING A SUM EQUAL TO THE
9 NEXT LOWEST MULTIPLE OF TEN.

10 "CLEAN LETTER OF CREDIT." A LETTER OF CREDIT WHICH IS
11 AVAILABLE TO THE BENEFICIARY AGAINST PRESENTATION OF ONLY A
12 DRAFT OR RECEIPT.

13 "COMMISSION." THE STATE HORSE RACING COMMISSION.

14 ["COMMISSIONS." THE STATE HORSE RACING COMMISSION AND THE
15 STATE HARNESS RACING COMMISSION.]

16 "COMMISSIONERS." THE PERSONS APPOINTED BY THE GOVERNOR AND
17 CONFIRMED BY THE SENATE WHO SERVE ON THE STATE [HORSE RACING
18 COMMISSION OR THE STATE HARNESS] RACING COMMISSION AND WHO
19 ADMINISTER THE APPLICABLE PROVISIONS OF THIS ACT.

20 "CONVICTION." AS DEFINED IN 4 PA.C.S. §1103 (RELATING TO
21 DEFINITIONS).

22 "ELECTRONIC WAGERING." A LEGAL WAGER PLACED BY AN INDIVIDUAL
23 IN THIS COMMONWEALTH RELATED ONLY TO THE OUTCOME OF A HORSE RACE
24 TAKING PLACE IN THIS COMMONWEALTH, PLACED OR TRANSMITTED BY AN
25 INDIVIDUAL THROUGH TELEPHONE OR ANY ELECTRONIC MEDIA APPROVED BY
26 THE COMMISSION AND ACCEPTED BY A LICENSED RACING ENTITY OR ITS
27 APPROVED OFF-TRACK BETTING SYSTEM LOCATED IN THIS COMMONWEALTH.

28 "EVERGREEN CLAUSE." A TERM IN A LETTER OF CREDIT PROVIDING
29 FOR AUTOMATIC RENEWAL OF THE LETTER OF CREDIT.

30 "EX PARTE COMMUNICATION." AN OFF-THE-RECORD COMMUNICATION

1 ENGAGED IN OR RECEIVED BY A COMMISSIONER OR HEARING OFFICER OF
2 THE COMMISSION REGARDING THE MERITS OF, OR ANY FACT IN ISSUE
3 RELATING TO, A PENDING MATTER BEFORE THE COMMISSION OR HEARING
4 OFFICER OR WHICH MAY REASONABLY BE EXPECTED TO COME BEFORE THE
5 COMMISSION OR HEARING OFFICER IN A CONTESTED ON-THE-RECORD
6 PROCEEDING. THE TERM SHALL NOT INCLUDE:

7 (1) AN OFF-THE-RECORD COMMUNICATION BY OR BETWEEN A
8 COMMISSIONER OR HEARING OFFICER OF THE COMMISSION, THE
9 DEPARTMENT OF REVENUE, PENNSYLVANIA STATE POLICE, ATTORNEY
10 GENERAL OR OTHER LAW ENFORCEMENT OFFICIAL, PRIOR TO THE
11 BEGINNING OF THE PROCEEDING SOLELY FOR THE PURPOSE OF SEEKING
12 CLARIFICATION OR CORRECTION TO EVIDENTIARY MATERIALS INTENDED
13 FOR USE IN THE PROCEEDINGS.

14 (2) A COMMUNICATION BETWEEN THE COMMISSION OR A
15 COMMISSIONER AND LEGAL COUNSEL.
16 "FELONY." AS DEFINED IN 4 PA.C.S. § 1213(4) (RELATING TO
17 LICENSE OR PERMIT PROHIBITION).

18 "FINANCIAL INTEREST." AN OWNERSHIP, PROPERTY, LEASEHOLD OR
19 OTHER BENEFICIAL INTEREST IN AN ENTITY. THE TERM SHALL NOT
20 INCLUDE AN INTEREST WHICH IS HELD OR DEEMED TO BE HELD IN ANY OF
21 THE FOLLOWING:

22 (1) SECURITIES THAT ARE HELD IN A PENSION PLAN, PROFIT-
23 SHARING PLAN, INDIVIDUAL RETIREMENT ACCOUNT, TAX-SHELTERED
24 ANNUITY, A PLAN ESTABLISHED UNDER SECTION 457 OF THE INTERNAL
25 REVENUE CODE OF 1986 (PUBLIC LAW 99-514, 26 U.S.C. §457), OR
26 ANY SUCCESSOR PROVISION, DEFERRED COMPENSATION PLAN WHETHER
27 QUALIFIED OR NOT QUALIFIED UNDER THE INTERNAL REVENUE CODE OF
28 1986, OR ANY SUCCESSOR PROVISION OR OTHER RETIREMENT PLAN
29 THAT:

30 (I) IS NOT SELF-DIRECTED BY THE INDIVIDUAL.

1 (II) IS ADVISED BY AN INDEPENDENT INVESTMENT ADVISER
2 WHO HAS SOLE AUTHORITY TO MAKE INVESTMENT DECISIONS WITH
3 RESPECT TO CONTRIBUTIONS MADE BY THE INDIVIDUAL TO THESE
4 PLANS.

5 (2) A TUITION ACCOUNT PLAN ORGANIZED AND OPERATED UNDER
6 SECTION 529 OF THE INTERNAL REVENUE CODE OF 1986 THAT IS NOT
7 SELF-DIRECTED BY THE INDIVIDUAL.

8 (3) A MUTUAL FUND WHERE THE INTEREST OWNED BY THE MUTUAL
9 FUND IN A LICENSED RACING ENTITY DOES NOT CONSTITUTE A
10 CONTROLLING INTEREST AS DEFINED IN 4 PA.C.S. §1103 (RELATING
11 TO DEFINITIONS).

12 "HORSE RACING." STANDARDBRED HORSE RACING AND THOROUGHBRED
13 HORSE RACING.

14 "HORSEMAN'S ORGANIZATION." A TRADE ASSOCIATION WHICH
15 REPRESENTS THE MAJORITY OF OWNERS AND TRAINERS WHO OWN AND RACE
16 HORSES AT A RACETRACK.

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 "LAND MILE." A UNIT OF DISTANCE EQUAL TO 1,852 KILOMETERS OR
22 5,280 FEET.

23 ["LICENSED CORPORATIONS." THE CORPORATIONS THAT HAVE
24 OBTAINED A LICENSE FROM EITHER THE STATE HORSE RACING COMMISSION
25 OR THE STATE HARNESS RACING COMMISSION TO CONDUCT THOROUGHBRED
26 OR HARNESS HORSE RACE MEETINGS RESPECTIVELY WITH PARI-MUTUEL
27 WAGERING.]

28 "LICENSED ADVANCE DEPOSIT ACCOUNT WAGERING ENTITY." A PERSON
29 LICENSED BY THE COMMISSION TO CONDUCT ADVANCE DEPOSIT ACCOUNT
30 WAGERING AND ACCEPT DEPOSITS AND WAGERS, ISSUE RECEIPTS OR OTHER

1 CONFIRMATION TO THE ACCOUNT HOLDER EVIDENCING SUCH DEPOSITS AND
2 WAGERS, AND TRANSFER CREDITS AND DEBITS TO AND FROM ACCOUNTS.

3 "LICENSED ENTITY." AS DEFINED IN 4 PA.C.S. § 1103 (RELATING
4 TO DEFINITIONS).

5 "LICENSED FACILITY." AS DEFINED IN 4 PA.C.S. § 1103
6 (RELATING TO DEFINITIONS).

7 "LICENSED ENTITY REPRESENTATIVE." A PERSON, INCLUDING AN
8 ATTORNEY, AGENT OR LOBBYIST, ACTING ON BEHALF OF OR AUTHORIZED
9 TO REPRESENT THE INTEREST OF ANY APPLICANT, LICENSEE, PERMITTEE
10 OR OTHER PERSON AUTHORIZED BY THE COMMISSION TO ENGAGE IN ANY
11 ACT OR ACTIVITY REGULATED BY THE COMMISSION UNDER THIS ACT
12 REGARDING ANY MATTER BEFORE, OR WHICH MAY BE REASONABLY EXPECTED
13 TO COME BEFORE, THE COMMISSION. THE TERM SHALL INCLUDE A PERSON
14 REPRESENTING A HORSEMAN'S ORGANIZATION OR A HORSE BREEDER'S
15 ORGANIZATION.

16 "LICENSED RACING ENTITY." ANY PERSON THAT HAS OBTAINED A
17 LICENSE TO CONDUCT LIVE THOROUGHBRED OR HARNESS HORSE RACE
18 MEETINGS RESPECTIVELY WITH PARI-MUTUEL WAGERING FROM THE
19 COMMISSION.

20 "LICENSEE." THE HOLDER OF A LICENSE ISSUED UNDER THIS ACT.

21 "NONPRIMARY LOCATION." ANY FACILITY IN WHICH PARI-MUTUEL
22 WAGERING IS CONDUCTED BY A LICENSED RACING ENTITY PURSUANT TO
23 THIS ACT OTHER THAN THE [PRIMARY RACETRACK LOCATION] RACETRACK
24 WHERE LIVE RACING IS CONDUCTED.

25 ["NONPRIMARY LOCATION STATEMENT." THE WRITTEN STATEMENT
26 PURSUANT TO THIS ACT SUBMITTED TO THE APPROPRIATE COMMISSION BY
27 A LICENSED CORPORATION PLANNING TO ESTABLISH A NONPRIMARY
28 LOCATION.]

29 "OWNERSHIP INTEREST." OWNING OR HOLDING, OR BEING DEEMED TO
30 HOLD, DEBT OR EQUITY SECURITIES OR OTHER OWNERSHIP INTEREST OR

1 PROFIT INTEREST.

2 "PERMITTEE." THE HOLDER OF A PERMIT ISSUED UNDER THIS ACT.

3 "PRIMARY MARKET AREA OF A RACETRACK." THE LAND AREA INCLUDED
4 IN A CIRCLE DRAWN WITH THE RACETRACK AS THE CENTER AND A RADIUS
5 OF 35 LAND MILES.

6 "RACETRACK." THE PHYSICAL FACILITY WHERE A LICENSED
7 [CORPORATION] RACING ENTITY CONDUCTS THOROUGHBRED OR [HARNESS]
8 STANDARD BRED RACE MEETINGS RESPECTIVELY WITH PARI-MUTUEL
9 WAGERING.

10 "RACETRACK ENCLOSURE." FOR PURPOSES OF THIS ACT, THE TERM
11 "RACETRACK ENCLOSURE," WITH RESPECT TO EACH LICENSED
12 [CORPORATION] RACING ENTITY, SHALL BE DEEMED TO INCLUDE AT LEAST
13 ONE PRIMARY RACETRACK LOCATION AT WHICH HORSE RACE MEETINGS
14 AUTHORIZED TO BE HELD BY THE LICENSED [CORPORATION] RACING
15 ENTITIES ARE CONDUCTED, AND ALL PRIMARY, NONPRIMARY, CONTIGUOUS
16 AND NONCONTIGUOUS LOCATIONS OF THE LICENSED [CORPORATION] RACING
17 ENTITY WHICH ARE SPECIFICALLY APPROVED BY THE [APPROPRIATE]
18 COMMISSION FOR CONDUCTING THE PARI-MUTUEL SYSTEM OF WAGERING ON
19 THE RESULTS OF HORSE [RACES] RACING HELD AT SUCH MEETINGS OR
20 RACE MEETINGS CONDUCTED BY ANOTHER LICENSED [CORPORATION] RACING
21 ENTITY OR TELEVISED TO SUCH LOCATIONS BY SIMULCASTING.

22 "SECONDARY MARKET AREA OF A RACETRACK." THE LAND AREA
23 INCLUDED IN A CIRCLE DRAWN WITH THE RACETRACK AS THE CENTER AND
24 A RADIUS OF 50 LAND MILES, NOT INCLUDING THE PRIMARY MARKET AREA
25 OF THE RACETRACK.

26 "SIMULCAST." THE TRANSMISSION OF LIVE ELECTRONICALLY
27 TELEVISED VIDEO/AUDIO RACES FROM THE HOST RACETRACK TO THE [RACE
28 TRACK] RACETRACK RECEIVING THE TELEVISION TRANSMISSION.

29 "STANDARD BRED HORSE RACING" OR "HARNESS RACING." A FORM OF
30 HORSE RACING IN WHICH THE HORSES PARTICIPATING ARE ATTACHED "IN

1 HARNESS" TO A SULKY OR OTHER SIMILAR VEHICLE, AT A SPECIFIC
2 GAIT, EITHER A TROT OR PACE.

3 "THOROUGHBRED HORSE RACING." THE FORM OF HORSE RACING IN
4 WHICH EACH PARTICIPATING HORSE IS MOUNTED BY A JOCKEY, IS DULY
5 REGISTERED WITH THE JOCKEY CLUB OF NEW YORK AND ENGAGES IN HORSE
6 RACING ON THE FLAT, WHICH MAY INCLUDE A STEEPLECHASE OR HURDLE
7 RACE.

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

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

13 [CHAPTER 2

14 STATE HORSE RACING COMMISSION AND STATE HARNESS
15 RACING COMMISSION

16 SECTION 201. ESTABLISHMENT OF THE COMMISSIONS.

17 (A) THE STATE HORSE RACING COMMISSION IS HEREBY ESTABLISHED
18 AS A DEPARTMENTAL ADMINISTRATIVE COMMISSION WITHIN THE
19 DEPARTMENT OF AGRICULTURE. THE COMMISSION SHALL HAVE GENERAL
20 JURISDICTION OVER ALL PARI-MUTUEL THOROUGHBRED HORSE RACING
21 ACTIVITIES IN THE COMMONWEALTH AND THE CORPORATIONS ENGAGED
22 THEREIN. FOR THE PURPOSES OF THIS ACT, "THOROUGHBRED HORSE
23 RACING" MEANS THAT FORM OF HORSE RACING IN WHICH EACH
24 PARTICIPATING HORSE IS MOUNTED BY A JOCKEY, IS DULY REGISTERED
25 WITH THE JOCKEY CLUB, NEW YORK, NEW YORK AND ENGAGES IN RACES ON
26 THE FLAT. THOROUGHBRED HORSE RACING MAY INCLUDE A STEEPLECHASE
27 OR HURDLE RACE. THE COMMISSION SHALL CONSIST OF THREE MEMBERS
28 WHO SHALL BE APPOINTED BY THE GOVERNOR, BY AND WITH THE ADVICE
29 AND CONSENT OF THE SENATE. EACH COMMISSIONER SHALL HOLD OFFICE
30 FOR A TERM OF THREE YEARS AND UNTIL A SUCCESSOR IS QUALIFIED.

1 (B) THE STATE HARNESS RACING COMMISSION IS HEREBY
2 ESTABLISHED AS A DEPARTMENTAL ADMINISTRATIVE COMMISSION WITHIN
3 THE DEPARTMENT OF AGRICULTURE. THE COMMISSION SHALL HAVE GENERAL
4 JURISDICTION OVER ALL PARI-MUTUEL HARNESS RACING ACTIVITIES IN
5 THE COMMONWEALTH AND THE CORPORATIONS ENGAGED THEREIN. THE
6 COMMISSION SHALL CONSIST OF THREE MEMBERS WHO SHALL BE APPOINTED
7 BY THE GOVERNOR, BY AND WITH THE ADVICE AND CONSENT OF THE
8 SENATE. EACH COMMISSIONER SHALL HOLD OFFICE FOR A TERM OF THREE
9 YEARS AND UNTIL A SUCCESSOR IS QUALIFIED.

10 (C) THE COMMISSIONERS SHALL BE REIMBURSED FOR DOCUMENTED
11 EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES.
12 THE COMMISSIONERS SHALL BE PAID \$150 PER DIEM FOR PERFORMING
13 THEIR DUTIES AS DIRECTED BY THE SECRETARY OF AGRICULTURE. ONE OF
14 THE COMMISSIONERS FOR EACH COMMISSION SHALL BE APPOINTED BY THE
15 GOVERNOR AS CHAIRPERSON. THE COMMISSIONER APPOINTED BY THE
16 GOVERNOR AS CHAIRPERSON SHALL SERVE IN THAT POSITION AT THE
17 PLEASURE OF THE GOVERNOR. THE SECRETARY OF AGRICULTURE OR HIS
18 DESIGNEE SHALL BE A NONVOTING EX OFFICIO MEMBER OF THE
19 COMMISSIONS. THE COMMISSIONS SHALL MEET AT LEAST ONCE A MONTH
20 AND AT OTHER TIMES AS THE SECRETARY OF AGRICULTURE OR THE
21 COMMISSION CHAIRPERSON DEEMS NECESSARY. ADEQUATE PUBLIC NOTICE
22 OF THE TIME AND PLACE OF THE MEETINGS SHALL BE GIVEN. A
23 COMMISSIONER WHO FAILS TO ATTEND THREE CONSECUTIVE MEETINGS
24 SHALL BE SUBJECT TO REMOVAL. A COMMISSIONER SHALL BE EXCUSED
25 FROM MEETINGS DUE TO ILLNESS OR DEATH OF AN IMMEDIATE FAMILY
26 MEMBER. ALL COMMISSIONERS SHALL BE LICENSED UNDER THE PROVISIONS
27 OF SECTION 213.

28 (D) EACH COMMISSION SHALL ENGAGE AN EXECUTIVE SECRETARY,
29 DEPUTIES, SECRETARIES, OFFICERS AND REPRESENTATIVES AS IT MAY
30 DEEM NECESSARY, WHO SHALL SERVE DURING ITS PLEASURE. THE

1 COMMISSIONS SHALL ALSO ENGAGE OTHER EMPLOYEES AS THEY SEE FIT
2 AND WHOSE DUTIES SHALL BE PRESCRIBED BY THE COMMISSIONS AND
3 WHOSE COMPENSATION SHALL BE FIXED BY THE COMMISSIONS WITHIN THE
4 APPROPRIATIONS AVAILABLE. LEGAL COUNSEL FOR THE COMMISSIONS
5 SHALL BE APPOINTED IN ACCORDANCE WITH THE ACT OF OCTOBER 15,
6 1980 (P.L.950, NO.164), KNOWN AS THE "COMMONWEALTH ATTORNEYS
7 ACT." EACH COMMISSION SHALL BE SUBJECT TO THE PROVISIONS OF THE
8 ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS "THE
9 ADMINISTRATIVE CODE OF 1929," AS TO CLASSIFICATION AND
10 COMPENSATION FOR ALL ITS EMPLOYEES.

11 (E) IT SHALL BE THE DUTY OF THE EXECUTIVE SECRETARY TO KEEP
12 A FULL AND FAITHFUL RECORD OF THE PROCEEDINGS OF THE
13 COMMISSIONS, PRESERVE AT THE GENERAL OFFICE OF THE COMMISSIONS
14 ALL BOOKS, MAPS, DOCUMENTS AND PAPERS ENTRUSTED TO THE EXECUTIVE
15 SECRETARY'S CARE, PREPARE FOR SERVICE THE PAPERS AND NOTICES AS
16 MAY BE REQUIRED BY THE COMMISSIONS AND PERFORM OTHER DUTIES AS
17 THE COMMISSIONS MAY PRESCRIBE. IT SHALL BE THE DUTY OF THE
18 EXECUTIVE SECRETARY TO KEEP, AT THE OFFICES OF THE COMMISSIONS,
19 A DOCKET SETTING FORTH THE NAMES OF ALL STOCKHOLDERS IN ALL
20 CORPORATIONS LICENSED UNDER THIS ACT, THE NUMBER OF SHARES HELD
21 BY EACH STOCKHOLDER AND THE DATE ON WHICH EACH SHAREHOLDER
22 ACQUIRED STOCK IN THE LICENSED CORPORATION. THE DOCKET SHALL BE
23 OPEN FOR PUBLIC INSPECTION. IT SHALL BE THE DUTY OF THE
24 EXECUTIVE SECRETARY TO APPEAR BEFORE THE APPROPRIATIONS
25 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES FOR
26 BUDGETARY REVIEW AND RECOMMENDATIONS.

27 (F) THE COMMISSIONS OR DESIGNATED OFFICERS, EMPLOYEES OR
28 AGENTS OF THE COMMISSIONS SHALL HAVE THE POWER TO ADMINISTER
29 OATHS AND EXAMINE WITNESSES AND MAY ISSUE SUBPOENAS TO COMPEL
30 ATTENDANCE OF WITNESSES AND PRODUCTION OF ALL RELEVANT AND

1 MATERIAL REPORTS, BOOKS, PAPERS, DOCUMENTS, CORRESPONDENCE AND
2 OTHER EVIDENCE. THE COMMISSIONS SHALL, ANNUALLY, MAKE A FULL
3 REPORT TO THE SECRETARY OF AGRICULTURE OF THEIR PROCEEDINGS FOR
4 THE PRECEDING CALENDAR YEAR AND SUGGESTIONS AND RECOMMENDATIONS
5 AS THEY SEE FIT. THE COMMISSIONS SHALL EXERCISE THEIR POWERS AND
6 DUTIES IN ACCORDANCE WITH THE PROVISIONS OF "THE ADMINISTRATIVE
7 CODE OF 1929."

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

17 (H) THE TERMS AND TERMINATION DATES OF THE TERMS OF THE
18 THREE COMMISSIONERS WHO CONSTITUTE THE STATE HARNESS RACING
19 COMMISSION UNDER THE ACT OF DECEMBER 22, 1959 (P.L.1978,
20 NO.728), REFERRED TO AS THE PENNSYLVANIA HARNESS RACING LAW,
21 SHALL CONTINUE UNDER THIS ACT. ANY COMMISSIONER WHOSE TERM HAS
22 ALREADY EXPIRED ON THE EFFECTIVE DATE OF THIS SECTION AND WHO
23 HAS NOT BEEN REPLACED BY A NEW MEMBER OR HAS NOT BEEN CONFIRMED
24 FOR ANOTHER TERM, SHALL CONTINUE IN HIS OR HER PRESENT STATUS
25 UNTIL REPLACED BY A NEW MEMBER OR CONFIRMED FOR ANOTHER TERM.

26 (I) ALL RULES AND REGULATIONS PROMULGATED UNDER THE
27 PROVISIONS OF THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW AND
28 THE PENNSYLVANIA HARNESS RACING LAW SHALL REMAIN IN EFFECT
29 EXCEPT TO THE EXTENT THAT THEY ARE IN DIRECT CONFLICT WITH THE
30 PROVISIONS OF THIS ACT. THE COMMISSIONS MAY AMEND, REVISE OR

1 ALTER THESE RULES AND REGULATIONS AS THEY DEEM NECESSARY.

2 (J) ALL LICENSES ISSUED UNDER THE PROVISIONS OF SECTION 11
3 OF THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW AND UNDER THE
4 PROVISIONS OF SECTION 9 OF THE PENNSYLVANIA HARNESS RACING LAW,
5 SHALL REMAIN IN EFFECT FOR THE REMAINDER OF THE TERM FOR WHICH
6 THESE LICENSES WERE ISSUED. AFTER THESE LICENSES HAVE EXPIRED,
7 ALL RENEWALS OR NEW LICENSES SHALL BE ISSUED UNDER THE
8 PROVISIONS OF THIS ACT.

9 (K) ALL LICENSES ISSUED TO CORPORATIONS UNDER THE PROVISIONS
10 OF SECTION 7 OF THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW
11 AND UNDER THE PROVISIONS OF SECTION 7 OF THE PENNSYLVANIA
12 HARNESS RACING LAW, SHALL CONTINUE WITH THE SAME FORCE AND
13 EFFECT AND SHALL BE GOVERNED BY THE PROVISIONS OF SECTION 209.
14 SECTION 202. GENERAL POWERS OF THE COMMISSIONS.

15 (A) THE STATE HORSE RACING COMMISSION SHALL HAVE THE POWER
16 TO SUPERVISE ALL THOROUGHBRED HORSE RACE MEETINGS AT WHICH PARI-
17 MUTUEL WAGERING IS CONDUCTED. THE STATE HARNESS RACING
18 COMMISSION SHALL HAVE THE POWER TO SUPERVISE ALL HARNESS HORSE
19 RACING MEETINGS AT WHICH PARI-MUTUEL WAGERING IS CONDUCTED. THE
20 COMMISSIONS MAY ADOPT RULES AND REGULATIONS TO EFFECT THE
21 PURPOSES AND PROVISIONS OF THIS ACT.

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

24 (1) EACH COMMISSION SHALL HAVE POWER TO FIX A MINIMUM
25 CHARGE FOR ADMISSION TO HORSE RACE MEETINGS AT WHICH PARI-
26 MUTUEL WAGERING IS CONDUCTED, BUT THE MINIMUM CHARGE SHALL
27 NOT BE LESS THAN 50¢ FOR GENERAL ADMISSION, EXCLUSIVE OF
28 TAXES. THE COMMISSIONS SHALL HAVE POWER TO FIX THE CHARGE FOR
29 ADMISSION OF SOLDIERS, SAILORS AND MARINES, IN UNIFORM, AT
30 ONE-HALF OF THE AMOUNT FIXED FOR GENERAL ADMISSION, WHETHER

1 OR NOT THE ONE-HALF OF THE AMOUNT FIXED IS LESS THAN THE
2 MINIMUM PRESCRIBED THEREIN.

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

6 (3) THE RULES OF THE COMMISSIONS SHALL ALSO PROVIDE THAT
7 ALL WINNING PARI-MUTUEL TICKETS MUST BE PRESENTED FOR PAYMENT
8 BEFORE APRIL 1 OF THE YEAR FOLLOWING THE YEAR OF THEIR
9 PURCHASE AND FAILURE TO PRESENT THE TICKET WITHIN THE
10 PRESCRIBED PERIOD OF TIME SHALL CONSTITUTE A WAIVER OF THE
11 RIGHT TO PARTICIPATE IN THE AWARD. AFTER APRIL 1 OF THE YEAR
12 FOLLOWING, ALL LICENSED CORPORATIONS WILL FORWARD TO THE
13 STATE TREASURER THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT
14 TO THE STATE RACING FUND ALL FUNDS SO HELD FOR THE UNCASHED
15 TICKETS. WHERE IT IS SHOWN TO THE SATISFACTION OF THE
16 APPROPRIATE COMMISSION AND THE DEPARTMENT OF REVENUE, THROUGH
17 SUBSTANTIATED AND RECORDED DATA, THAT THE REASON FOR THE
18 PARI-MUTUEL TICKET OR TICKETS BEING OUTSTANDING AND UNCLAIMED
19 IS LOSS, MISPLACEMENT OR THEFT WITHIN THE CONFINES AND
20 CONTROL OF THE PARI-MUTUEL DEPARTMENT OF ANY LICENSED
21 CORPORATION AND IT IS SHOWN TO THE SATISFACTION OF THE
22 APPROPRIATE COMMISSION AND THE DEPARTMENT OF REVENUE THAT THE
23 PARI-MUTUEL TICKET OR TICKETS IN QUESTION HAVE BEEN CASHED BY
24 THE PARI-MUTUEL DEPARTMENT, THE DEPARTMENT OF REVENUE, WITH
25 THE APPROVAL OF THE APPROPRIATE COMMISSION, MAY ADJUST AND
26 CREDIT THE LICENSED CORPORATION'S OUTSTANDING TICKET ACCOUNT
27 ACCORDINGLY ON MARCH 31 OF THE YEAR FOLLOWING THE YEAR OF
28 PURCHASE OR AFTER A COMPLETE AUDIT OF THE OUTSTANDING TICKETS
29 ACCOUNTS HAVE BEEN PERFORMED. THE LICENSED CORPORATION SHALL
30 REIMBURSE ANY EMPLOYEE WHO HAS BEEN HELD PERSONALLY

1 ACCOUNTABLE AND PAID FOR THE LOST, MISPLACED OR STOLEN
2 TICKETS.

3 (4) THE COMMISSIONS MAY ADOPT A GENERAL PROMOTION
4 PROGRAM TO ASSIST THE LICENSED CORPORATIONS IN INCREASING
5 THEIR ATTENDANCE AND AVERAGE DAILY HANDLE. ANY EXPENDITURES
6 FOR A PROMOTIONAL PROGRAM SHALL BE AUTHORIZED AND APPROVED IN
7 THE SAME MANNER AS OTHER OPERATIONAL COSTS OF THE
8 COMMISSIONS.

9 (5) IN THE EVENT THAT A STATE BORDERING PENNSYLVANIA
10 ENACTS A WAGERING TAX SCHEME THAT MAY PLACE PENNSYLVANIA
11 HORSE RACE MEETINGS AT A COMPETITIVE DISADVANTAGE IN THE
12 PURSES THAT CAN BE OFFERED FOR HORSE RACES, A LICENSED
13 CORPORATION MAY PETITION THE APPROPRIATE COMMISSION FOR AN
14 EMERGENCY FINANCIAL GRANT TO AUGMENT ITS PURSE STRUCTURE. IF
15 THE APPROPRIATE COMMISSION FINDS THAT THE EFFECT OF THE
16 ENACTED WAGERING TAX SCHEME OF A BORDERING STATE IS TO PLACE
17 PENNSYLVANIA HORSE RACE MEETINGS AT A COMPETITIVE
18 DISADVANTAGE IN PURSE STRUCTURE, THE APPROPRIATE COMMISSION
19 SHALL MAKE AN EMERGENCY FINANCIAL GRANT TO THE PETITIONING
20 LICENSED CORPORATION FOR AUGMENTATION TO ITS PURSE STRUCTURE
21 OUT OF MONEYS THAT THE COMMISSION HAS BUDGETED FOR THIS
22 PURPOSE; PROVIDED, HOWEVER, THAT THE SECRETARY OF AGRICULTURE
23 AND THE SECRETARY OF THE OFFICE OF BUDGET AND ADMINISTRATION
24 HAVE ALSO AGREED TO THE GRANT.

25 (C) THE STATE HARNESS RACING COMMISSION SHALL HAVE
26 JURISDICTION OVER AND SHALL PROMULGATE REGULATIONS AS NECESSARY
27 FOR THE PROPER ADMINISTRATION OF ALL RACING CONDUCTED BY A
28 COUNTY AGRICULTURAL SOCIETY OR AN INDEPENDENT AGRICULTURAL
29 SOCIETY, AS PROVIDED FOR UNDER SECTION 5(1)(III) AND (IV) OF THE
30 ACT OF JULY 8, 1986 (P.L.437, NO.92), KNOWN AS THE "PENNSYLVANIA

1 AGRICULTURAL FAIR ACT."

2 SECTION 203.

3 (C) NO CORPORATION SHALL HAVE THE RIGHT TO CONDUCT ANY HORSE
4 RACE MEET EXCEPT ON OBTAINING A LICENSE FROM THE APPROPRIATE
5 COMMISSION AND AT THE LOCATION OR LOCATIONS DESIGNATED IN ITS
6 LICENSE OR ANY AMENDMENT THERETO OR AS APPROVED AT ANY TIME BY
7 THE COMMISSION AS THE PLACE OR PLACES AT WHICH IT WAS PROPOSED
8 TO CONDUCT ITS BUSINESS. THIS RESTRICTION SHALL NOT APPLY TO ANY
9 CORPORATION WHOSE RACING PLANT OR USEFULNESS, IN THE DISCRETION
10 OF THE APPROPRIATE COMMISSIONS, SHALL, FOR ANY REASON BEYOND THE
11 CONTROL OF THE CORPORATION, BE TOTALLY DESTROYED OR SO
12 SUBSTANTIALLY INTERFERED WITH AS TO RENDER SAME UNFIT FOR
13 CONTINUED OPERATION. PENDING THE REBUILDING OR RESTORATION OF
14 ITS USEFULNESS, OR THE MAKING OF THE REQUIRED REPAIRS TO THE
15 PLANT OR THE PART DESTROYED OR DAMAGED, THE COMMISSIONS MAY
16 LICENSE SUCH CORPORATION TO CONDUCT ITS HORSE RACE MEETINGS AT
17 ANY OTHER SUITABLE LOCATION.

18 SECTION 204. FILING OF INFORMATION CONCERNING STOCK TRANSFERS;
19 NECESSITY FOR COMMISSIONS' APPROVAL.

20 (A) WHENEVER A TRANSFER OF STOCK COMPRISING AN INTEREST OF
21 5% OR MORE IN ANY LICENSED CORPORATION, OR COMPRISING AN
22 INTEREST OF 5% OR MORE IN ANY CORPORATION WHICH LEASES TO A
23 LICENSED CORPORATION THE TRACK FACILITY AT WHICH IT CONDUCTS
24 PARI-MUTUEL HORSE RACES OR COMPRISING AN INTEREST OF 5% OR MORE
25 IN ANY CORPORATION WHICH OWNS 25% OR MORE OF THE STOCK OF THE
26 LICENSED CORPORATION SHALL BE MADE, THERE SHALL BE FILED,
27 SIMULTANEOUSLY, WITH THE CORPORATION WHICH ISSUED SUCH STOCK THE
28 FOLLOWING:

29 (1) IN DUPLICATE, AN AFFIDAVIT EXECUTED BY THE
30 TRANSFEREE OF THE INTEREST STATING THAT HE IS TO BE THE SOLE

1 BENEFICIAL OWNER THEREOF, AND WHETHER OR NOT HE:

2 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
3 TURPITUDE;

4 (II) HAS BEEN ENGAGED IN BOOKMAKING OR OTHER FORMS
5 OF ILLEGAL GAMBLING;

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

8 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
9 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
10 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
11 IMPOSED IN SUCH JURISDICTION; OR

12 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
13 THE COMMISSIONS.

14 IF THE TRANSFEREE OF THE INTEREST IS NOT, OR IS NOT TO BE,
15 THE SOLE BENEFICIAL OWNER, THERE SHALL BE ANNEXED TO THE
16 AFFIDAVIT OF THE TRANSFEREE, AND EXPRESSLY STATED IN SUCH
17 AFFIDAVIT, A TRUE AND COMPLETE COPY OF ALL TERMS OF THE
18 AGREEMENT PURSUANT TO WHICH THE INTEREST IN THE CORPORATION
19 IS TO BE HELD BY THE TRANSFEREE, INCLUDING A DETAILED
20 STATEMENT OF THE INTEREST OF EACH PERSON WHO IS TO HAVE ANY
21 INTEREST THEREIN.

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

25 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
26 TURPITUDE;

27 (II) HAS ENGAGED IN BOOKMAKING OR OTHER FORMS OF
28 ILLEGAL GAMBLING;

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

1 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
2 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
3 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
4 IMPOSED IN SUCH JURISDICTION; OR

5 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
6 THE COMMISSIONS.

7 TO EACH OF THE AFFIDAVITS SHALL BE ANNEXED, AND EXPRESSLY
8 STATED IN SUCH AFFIDAVIT, A TRUE AND COMPLETE COPY OF ALL THE
9 TERMS OF THE AGREEMENT PURSUANT TO WHICH THE INTEREST IS TO
10 BE HELD BY THE TRANSFEREE, INCLUDING A DETAILED STATEMENT OF
11 THE INTEREST OF EACH PERSON WHO IS TO HAVE ANY INTEREST
12 THEREIN. THE CORPORATION SHALL FILE WITH THE APPROPRIATE
13 COMMISSION ONE OF EACH DUPLICATE AFFIDAVITS.

14 (B) IF, AFTER THE FILING OF ANY AFFIDAVIT REQUIRED TO BE
15 FILED, THERE SHALL BE ANY CHANGE IN THE STATUS OF ANY AFFIANT
16 WITH RESPECT TO ANY OF THE MATTERS SET FORTH IN SUBSECTION (A)
17 (1) OF THE AFFIDAVIT FILED, THE AFFIANT SHALL FILE WITH THE
18 CORPORATION WITH WHICH HIS AFFIDAVIT WAS SO FILED A NEW
19 AFFIDAVIT, EXECUTED BY HIM IN DUPLICATE, SETTING FORTH THE
20 CHANGE OF STATUS AND THE CORPORATION SHALL FILE ONE OF THESE
21 AFFIDAVITS WITH THE APPROPRIATE COMMISSION.

22 (C) WHENEVER ANY CHANGE SHALL BE MADE IN THE AMOUNT, NATURE
23 OR OF THE INTEREST OF ANY PERSON HAVING AN INTEREST OF 5% OR
24 MORE IN ANY CORPORATION, OR ANY NEW INTEREST OF 5% OR MORE SHALL
25 BE CREATED THEREIN, WITHOUT A TRANSFER AS PROVIDED, THE RECORD
26 OWNER OF THE STOCK, AND EACH PERSON WHOSE INTEREST HAS BEEN
27 ATTEMPTED TO BE CHANGED OR CREATED, SHALL FILE WITH THE
28 CORPORATION WHICH ISSUED THE STOCK, IN DUPLICATE, AFFIDAVITS AS
29 PROVIDED BY SUBSECTION (A) (1) AND (2), EXCEPT THAT THESE
30 AFFIDAVITS NEED NOT INCLUDE THE MATTER REFERRED TO IN SUBSECTION

1 (A) UNLESS THEN REQUIRED PURSUANT TO SUBSECTION (B) AND ONE COPY
2 THEREOF SHALL BE FILED BY THE CORPORATION WITH THE APPROPRIATE
3 COMMISSION.

4 (D) IF THE APPROPRIATE COMMISSION DETERMINES THAT IT IS
5 INCONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE, OR
6 NECESSITY, OR WITH THE BEST INTEREST OF RACING GENERALLY, THAT
7 ANY PERSON CONTINUE TO BE A STOCKHOLDER OF RECORD, OR THE
8 BENEFICIAL OWNER OF ANY INTEREST IN STOCK STANDING IN THE NAME
9 OF ANOTHER IN ANY LICENSED CORPORATION OR OF ANY CORPORATION
10 WHICH LEASES TO SUCH LICENSED CORPORATION THE TRACK AT WHICH IT
11 CONDUCTS PARI-MUTUEL HORSE RACING OR WHICH OWNED 25% OR MORE OF
12 THE STOCK OF THE LICENSEE, THE APPROPRIATE COMMISSION SHALL HAVE
13 FULL POWER AND AUTHORITY TO ORDER EACH STOCKHOLDER OR BENEFICIAL
14 OWNER TO DISPOSE OF HIS STOCK OR INTEREST WITHIN A PERIOD OF
15 TIME TO BE SPECIFIED BY THE APPROPRIATE COMMISSION, WHICH PERIOD
16 THE APPROPRIATE COMMISSION SHALL HAVE FULL POWER TO EXTEND.

17 (E) IF THE COMMISSIONS SHALL MAKE ANY ORDER OR DIRECTION AS
18 PROVIDED IN SUBSECTION (D), THE PERSON AGGRIEVED SHALL BE GIVEN
19 NOTICE OF THE TIME AND PLACE OF A HEARING BEFORE THE APPROPRIATE
20 COMMISSION, AT WHICH TIME THE APPROPRIATE COMMISSION WILL HEAR
21 THE PERSON IN REFERENCE THERETO.

22 SECTION 205. NUMBER OF HORSE RACING CORPORATIONS.

23 (A) NO MORE THAN SIX CORPORATIONS SHALL BE LICENSED BY THE
24 STATE HORSE RACING COMMISSION TO CONDUCT A PARI-MUTUEL MEET OR
25 MEETS. NO CORPORATION LICENSED UNDER THIS ACT TO CONDUCT HARNESS
26 RACING WITH PARI-MUTUEL WAGERING OR UNDER THE ACT OF DECEMBER
27 22, 1959 (P.L.1978, NO.728), REFERRED TO AS THE PENNSYLVANIA
28 HARNESS RACING LAW, SHALL BE LICENSED TO CONDUCT THOROUGHBRED
29 HORSE RACING WITH PARI-MUTUEL WAGERING.

30 (B) NO MORE THAN FIVE CORPORATIONS SHALL BE LICENSED BY THE

1 STATE HARNESS RACING COMMISSION TO CONDUCT A PARI-MUTUEL MEET OR
2 MEETS. NO CORPORATION LICENSED UNDER THIS ACT TO CONDUCT
3 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING OR UNDER THE
4 ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), REFERRED TO AS THE
5 PENNSYLVANIA THOROUGHBRED HORSE RACING LAW, SHALL BE LICENSED TO
6 CONDUCT HARNESS HORSE RACING WITH PARI-MUTUEL WAGERING.

7 SECTION 206. RESPONSIBILITIES OF THE DEPARTMENT OF REVENUE.

8 THE DEPARTMENT OF REVENUE IS CHARGED WITH THE FINANCIAL
9 ADMINISTRATION OF PARI-MUTUEL WAGERING UNDER THIS ACT, AS
10 SUPPLEMENTED BY THE RULES AND REGULATIONS OF THE COMMISSIONS.
11 THE DEPARTMENT OF REVENUE SHALL HAVE AUTHORITY TO PRESCRIBE THE
12 FORMS AND THE SYSTEM OF ACCOUNTING TO BE EMPLOYED, AND THROUGH
13 ITS REPRESENTATIVES SHALL, AT ALL TIMES, HAVE POWER OF ACCESS
14 TO, AND EXAMINATION OF, ANY EQUIPMENT RELATING TO SUCH WAGERING.

15 SECTION 207. ALLOCATION OF RACING DAYS.

16 (A) UP TO 125 BUT NO LESS THAN 25 RACING DAYS SHALL BE
17 ALLOCATED TO EACH LICENSED CORPORATION CONDUCTING THOROUGHBRED
18 HORSE RACE MEETINGS IN ANY CALENDAR YEAR; EXCEPT, THAT UPON
19 REQUEST, THE STATE HORSE RACING COMMISSION MAY GRANT UP TO AN
20 ADDITIONAL 25 RACING DAYS OVER THE 125 DAYS TO A LICENSED
21 CORPORATION IN EACH CALENDAR YEAR, IF RACING MEET SCHEDULES CAN
22 ACCOMMODATE THESE EXTRA DAYS. WHENEVER TWO OR MORE CORPORATIONS
23 LICENSED TO CONDUCT RACING AT THE SAME FACILITY APPLY TO THE
24 STATE HORSE RACING COMMISSION FOR AN ALLOCATION OF RACING DAYS
25 AT THE SAME FACILITY, THE COMMISSION SHALL ALLOCATE THE RACING
26 DAYS IN THE FOLLOWING MANNER:

27 (1) IF THERE IS AN AGREEMENT BETWEEN THE LICENSED
28 CORPORATIONS AS TO THE ALLOCATION OF RACING DAYS THEN AS
29 PROVIDED FOR THEREIN.

30 (2) IF THERE IS NO AGREEMENT BETWEEN THE LICENSED

1 CORPORATIONS AS TO THE ALLOCATION OF RACING DAYS, THEN
2 EQUALLY BETWEEN THEM.

3 (B) NO MORE THAN 125 RACING DAYS SHALL BE ALLOCATED TO EACH
4 LICENSED CORPORATION CONDUCTING HARNESS HORSE RACE MEETINGS IN
5 ANY CALENDAR YEAR. EVERY CORPORATION SHALL HOLD ITS LICENSE
6 UNDER THE PROVISIONS OF SECTION 209. THE STATE HARNESS RACING
7 COMMISSION SHALL ALLOCATE THE RACING DAYS IN ACCORDANCE WITH THE
8 FOLLOWING GUIDELINES:

9 (1) A LICENSED CORPORATION THAT HAS AN OWNERSHIP
10 INTEREST IN THE FACILITY AT WHICH THE RACING DAYS ARE TO BE
11 CONDUCTED SHALL BE GRANTED UP TO 125 RACING DAYS IN ANY
12 CALENDAR YEAR UPON REQUEST TO THE STATE HARNESS RACING
13 COMMISSION. THE STATE HARNESS RACING COMMISSION SHALL GRANT
14 ALL RACING DAYS REQUESTED BY LICENSED CORPORATIONS DESCRIBED
15 IN THIS PARAGRAPH BEFORE ANY OTHER RACING DAYS ARE GRANTED TO
16 ANY OTHER LICENSED CORPORATION THAT DESIRES TO CONDUCT A MEET
17 AT THE SAME FACILITY OWNED IN PART OR IN WHOLE BY A LICENSED
18 CORPORATION THAT ALSO DESIRES TO CONDUCT A MEET THERE.

19 (2) WHENEVER ONE OR MORE LICENSED CORPORATIONS THAT HAVE
20 AN OWNERSHIP INTEREST IN THE FACILITY AT WHICH THE RACING
21 DAYS ARE TO BE CONDUCTED APPLY TO THE STATE HARNESS RACING
22 COMMISSION FOR AN ALLOCATION OF RACING DAYS, THE STATE
23 HARNESS RACING COMMISSION SHALL ALLOCATE AN EQUAL NUMBER OF
24 RACING DAYS TO EACH LICENSED CORPORATION OR TO EACH LICENSED
25 CORPORATION BASED UPON AN AGREEMENT BETWEEN THE LICENSED
26 CORPORATIONS AS TO THE ALLOCATION OF RACING DAYS.

27 (3) UPON REQUEST THE STATE HARNESS RACING COMMISSION MAY
28 GRANT UP TO AN ADDITIONAL 25 RACING DAYS OVER THE 125 RACING
29 DAYS TO A LICENSED CORPORATION IN EACH CALENDAR YEAR, AND THE
30 COMMISSION MAY GRANT UP TO 50 ADDITIONAL DAYS OF RACING IF

1 THAT CORPORATION IS THE ONLY CORPORATION OPERATING AT THE
2 FACILITY, IF RACING MEET SCHEDULES CAN ACCOMMODATE THESE
3 EXTRA RACING DAYS.

4 (4) FOR PURPOSES OF THIS SECTION, AN OWNERSHIP INTEREST
5 SHALL MEAN THAT A LICENSED CORPORATION DIRECTLY OR THROUGH A
6 PARENT OR SUBSIDIARY HAS AT LEAST 35% EQUITY INTEREST IN THE
7 TRACK FACILITY AT WHICH IT CONDUCTS HARNESS HORSE RACE
8 MEETINGS OR IS THE PRIMARY TENANT AT SUCH FACILITY. FOR
9 PURPOSES OF THIS SUBSECTION, A PRIMARY TENANT SHALL BE THAT
10 LICENSED CORPORATION, IF ANY, WHICH IS A TENANT CONDUCTING
11 HORSE RACE MEETINGS AT A TRACK FACILITY AT WHICH NO LICENSED
12 CORPORATION CONDUCTING HORSE RACE MEETINGS HAS DIRECTLY OR
13 THROUGH A PARENT OR SUBSIDIARY AT LEAST A 35% EQUITY INTEREST
14 IN SUCH FACILITY, AND IF THERE IS MORE THAN ONE SUCH TENANT
15 AT ANY SUCH FACILITY DURING THE YEAR PRIOR TO THE YEAR FOR
16 WHICH DATES ARE REQUESTED, THEN AMONG OR BETWEEN SUCH TENANTS
17 THE PRIMARY TENANT, IF ANY, SHALL BE DESIGNATED BY AGREEMENT
18 AMONG OR BETWEEN THOSE LICENSED CORPORATIONS WHICH PROPOSE TO
19 CONDUCT HORSE RACE MEETINGS AT THE SAID TRACK FACILITY DURING
20 THE YEAR FOR WHICH DATES ARE REQUESTED.

21 (C) THE COMMISSIONS SHALL CERTIFY TO THE SECRETARY OF THE
22 DEPARTMENT OF REVENUE WITHIN 20 DAYS AFTER THE ALLOCATION OF
23 RACING DAYS TO LICENSED CORPORATIONS THE FOLLOWING INFORMATION:

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

25 (2) THE NAMES AND ADDRESSES OF THE PRESIDENTS AND
26 GENERAL MANAGERS OF THE CORPORATIONS;

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

29 (4) THE NUMBER OF RACING DAYS ALLOCATED TO EACH
30 CORPORATION; AND

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

3 (D) IF A RACING DAY IS CANCELLED BY A LICENSED CORPORATION
4 FOR REASONS BEYOND ITS CONTROL, THE APPROPRIATE COMMISSION SHALL
5 GRANT THE LICENSED CORPORATION THE RIGHT TO CONDUCT THAT RACING
6 DAY IN THE SAME OR THE NEXT ENSUING CALENDAR YEAR, IF SCHEDULES
7 PERMIT. THE RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
8 222 SHALL BE AT THE LOWEST TAX RATE AT WHICH THE LICENSED
9 CORPORATION CONDUCTED A RACING DAY DURING THAT YEAR.
10 SECTION 208. STATE ADMISSIONS TAXES.

11 (A) EVERY CORPORATION HOLDING A THOROUGHBRED HORSE RACE
12 MEETING UNDER THIS ACT SHALL COLLECT, IN ADDITION TO THE
13 ADMISSION PRICE OF TICKETS SOLD OR OTHERWISE DISPOSED OF, FOR
14 EACH MEETING HELD BY THE CORPORATION, A TAX EQUIVALENT TO 15% OF
15 THE ADMISSION PRICE, OR 15¢ WHICHEVER IS GREATER. IN CASE OF
16 FAILURE TO COLLECT THE TAX, THE TAX SHALL BE IMPOSED UPON THE
17 CORPORATION HOLDING THE RACE MEETING. THE TAX SHALL BE PAID TO
18 THE DEPARTMENT OF REVENUE WITHIN TEN DAYS OF COLLECTION. THE
19 AMOUNTS COLLECTED SHALL BE PAID INTO THE STATE TREASURY TO THE
20 CREDIT OF THE STATE RACING FUND. BEFORE ANY CORPORATION LIABLE
21 TO PAY THE TAX SHALL HOLD ANY RACE MEETING, OR EXERCISE ANY OF
22 THE POWERS CONFERRED BY THIS ACT, THE CORPORATION SHALL PAY ALL
23 TAXES DUE, AND SHALL FILE A STATEMENT WITH THE DEPARTMENT OF
24 REVENUE CONTAINING THE NAME OF THE PLACE AND STATING THE TIME
25 WHEN THE RACES ARE TO BE HELD. NOTHING IN THIS SECTION SHALL
26 APPLY TO A RACE MEETING CONDUCTED BY ANY STATE, COUNTY OR OTHER
27 AGRICULTURAL ASSOCIATION. RETROACTIVE TO SEPTEMBER 1, 1981 AND
28 THEREAFTER, THE ADMISSION TAX SHALL BE DECREASED TO A TAX
29 EQUIVALENT TO 10% OF THE ADMISSION PRICE. THEN ON SEPTEMBER 1,
30 1982 AND THEREAFTER, THE ADMISSION TAX SHALL BE DECREASED TO A

1 TAX EQUIVALENT TO 5% OF THE ADMISSION PRICE.

2 (B) EVERY CORPORATION HOLDING A HARNESS HORSE RACE MEETING
3 SHALL COLLECT, IN ADDITION TO THE ADMISSION PRICE OF TICKETS
4 SOLD OR OTHERWISE DISPOSED OF, FOR EACH SUCH MEETING HELD BY THE
5 CORPORATION, A TAX EQUIVALENT TO 5% OF THE ADMISSION PRICE. IN
6 CASE OF FAILURE TO COLLECT THE TAX, THE TAX SHALL BE IMPOSED
7 UPON THE CORPORATION HOLDING THE RACE MEETING. THE TAX SHALL BE
8 PAID TO THE DEPARTMENT OF REVENUE WITHIN TEN DAYS AFTER THE
9 CLOSE OF EACH RACE MEETING. THE AMOUNTS COLLECTED SHALL BE PAID
10 INTO THE STATE TREASURY TO THE CREDIT OF THE STATE RACING FUND.
11 BEFORE ANY CORPORATION LIABLE TO PAY THE TAX SHALL HOLD ANY RACE
12 MEETING, OR EXERCISE ANY OF THE POWERS CONFERRED BY THIS ACT,
13 THE CORPORATION SHALL PAY ALL TAXES DUE AND FILE A STATEMENT
14 WITH THE DEPARTMENT OF REVENUE CONTAINING THE NAME OF THE PLACE
15 AND STATING THE TIME WHEN THE RACES ARE TO BE HELD. NOTHING IN
16 THIS SECTION SHALL APPLY TO A RACE MEETING CONDUCTED BY ANY
17 STATE, COUNTY OR OTHER AGRICULTURAL ASSOCIATION.

18 (C) THE DEPARTMENT OF REVENUE SHALL HAVE THE POWER TO
19 EXAMINE THE BOOKS AND RECORDS OF THE CORPORATION CONDUCTING ANY
20 HORSE RACE MEETING AND MAY HEAR TESTIMONY AND TAKE PROOFS AND
21 MATERIAL FOR ITS INFORMATION, OR FROM ANY OTHER DATA WHICH SHALL
22 BE SATISFACTORY TO IT. THE DEPARTMENT OF REVENUE MAY ORDER AND
23 STATE AN ACCOUNT FOR THE TAX DUE THE STATE, TOGETHER WITH THE
24 EXPENSE OF SUCH EXAMINATION. A PENALTY OF 5% AND INTEREST AT THE
25 RATE OF 1% PER MONTH FROM THE DUE DATE TO THE DATE OF PAYMENT OF
26 THE TAX SHALL BE PAYABLE IN CASE ANY TAX IMPOSED BY THIS SECTION
27 IS NOT PAID WHEN DUE.

28 SECTION 209. LICENSES FOR HORSE RACE MEETINGS.

29 (A) ANY CORPORATION DESIRING TO CONDUCT HORSE RACE MEETINGS
30 AT WHICH PARI-MUTUEL WAGERING SHALL BE PERMITTED MAY APPLY TO

1 THE APPROPRIATE COMMISSION FOR A LICENSE. THE LICENSE GIVES ITS
2 HOLDER THE PRIVILEGE TO CONDUCT HORSE RACE MEETINGS AT WHICH
3 PARI-MUTUEL WAGERING IS PERMITTED. THE LICENSE DOES NOT GIVE ITS
4 HOLDER A PROPERTY RIGHT. IF, IN THE JUDGMENT OF THE APPROPRIATE
5 COMMISSION, THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY WILL
6 BE SERVED AND A PROPER CASE FOR THE ISSUANCE OF THE LICENSE IS
7 SHOWN, THE APPROPRIATE COMMISSION MAY ISSUE THE LICENSE. THE
8 LICENSE SHALL REMAIN IN EFFECT SO LONG AS THE LICENSED
9 CORPORATION COMPLIES WITH ALL CONDITIONS, RULES AND REGULATIONS
10 AND PROVISIONS OF THIS ACT. A COMMISSION MAY REVOKE OR SUSPEND
11 THE LICENSE OF ANY CORPORATION, IF THE COMMISSION FINDS BY A
12 PREPONDERANCE OF THE EVIDENCE THAT THE CORPORATION, ITS
13 OFFICERS, EMPLOYEES OR AGENTS, HAS NOT COMPLIED WITH THE
14 CONDITIONS, RULES, REGULATIONS AND PROVISIONS OF THIS ACT AND
15 THAT IT WOULD BE IN THE PUBLIC INTEREST, CONVENIENCE OR
16 NECESSITY TO REVOKE OR SUSPEND THE LICENSE. A LICENSE IS NOT
17 TRANSFERABLE.

18 (B) EVERY LICENSE SHALL BE ISSUED UPON THE FOLLOWING
19 CONDITIONS:

20 (1) A HORSE RACE MEETING AT WHICH PARI-MUTUEL WAGERING
21 IS CONDUCTED IS SUBJECT TO THE SUPERVISION OF AND TO THE
22 REASONABLE RULES AND REGULATIONS PRESCRIBED BY THE
23 APPROPRIATE COMMISSION.

24 (2) PARI-MUTUEL WAGERING CONDUCTED IS ALSO SUBJECT TO
25 THE SUPERVISION OF AND TO THE REASONABLE REGULATIONS
26 PRESCRIBED BY THE DEPARTMENT OF REVENUE. ANY LICENSE MAY ALSO
27 BE ISSUED UPON ANY OTHER CONDITION THAT THE APPROPRIATE
28 COMMISSION DETERMINES TO BE NECESSARY OR DESIRABLE TO INSURE
29 THAT THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY IS SERVED.

30 (3) THE CORPORATION CAN PROVE BY A PREPONDERANCE OF THE

1 EVIDENCE THAT IT HAS OBTAINED THE USE OF A FACILITY TO
2 CONDUCT HORSE RACE MEETINGS. THE PROOF MAY BE DEMONSTRATED BY
3 DOCUMENTATION OF AN OWNERSHIP INTEREST IN THE FACILITY OR BY
4 A WRITTEN LEASE FOR USE OF THE FACILITY. FOR PURPOSES OF THIS
5 PARAGRAPH, AN OWNERSHIP INTEREST SHALL MEAN THAT A LICENSED
6 CORPORATION DIRECTLY OR THROUGH A PARENT OR SUBSIDIARY HAS AT
7 LEAST A 35% EQUITY INTEREST IN THE TRACK FACILITY AT WHICH IT
8 CONDUCTS HORSE RACE MEETINGS OR IS THE PRIMARY TENANT AT SUCH
9 FACILITY. FOR PURPOSES OF THIS PARAGRAPH, A PRIMARY TENANT
10 SHALL BE THAT LICENSED CORPORATION, IF ANY, WHICH IS A TENANT
11 CONDUCTING HORSE RACING MEETINGS AT A TRACK FACILITY AT WHICH
12 NO LICENSED CORPORATION CONDUCTING HORSE RACE MEETINGS HAS
13 DIRECTLY OR THROUGH A PARENT OR SUBSIDIARY AT LEAST A 35%
14 EQUITY INTEREST IN SUCH FACILITY, AND IF THERE IS MORE THAN
15 ONE SUCH TENANT AT ANY SUCH FACILITY DURING THE YEAR PRIOR TO
16 THE YEAR FOR WHICH DATES ARE REQUESTED, THEN AMONG OR BETWEEN
17 SUCH TENANTS THE PRIMARY TENANT, IF ANY, SHALL BE DESIGNATED
18 BY AGREEMENT AMONG OR BETWEEN THOSE LICENSED CORPORATIONS
19 WHICH PROPOSE TO CONDUCT HORSE RACE MEETINGS AT THE SAID
20 TRACK FACILITY DURING THE YEAR FOR WHICH DATES ARE REQUESTED.

21 (4) THE CORPORATION POSTS, IN FAVOR OF THE APPROPRIATE
22 COMMISSION, A BOND OR IRREVOCABLE LETTER OF CREDIT IN AN
23 AMOUNT EQUAL TO THE SUM OF THE CORPORATION'S AVERAGE WEEKLY
24 PAYMENT, DURING ACTIVE RACING, INTO THE STATE RACING FUND, AS
25 DETERMINED BY THE APPROPRIATE COMMISSION ON THE BASIS OF THE
26 IMMEDIATELY PRECEDING YEAR, DURING THE YEAR FOR WHICH DATES
27 ARE REQUESTED.

28 (5) THE LICENSED CORPORATION PRINTS IN ITS RACING
29 PROGRAMS THE PROCEDURE FOR FILING A COMPLAINT WITH THE
30 APPROPRIATE COMMISSION.

1 (C) APPLICATIONS FOR LICENSES SHALL BE IN THE FORM
2 PRESCRIBED BY THE APPROPRIATE COMMISSION AND SHALL CONTAIN
3 INFORMATION, MATERIAL OR EVIDENCE AS THE APPROPRIATE COMMISSION
4 MAY REQUIRE. THE TERM "RACING WEEK" SHALL INCLUDE SUNDAY AT THE
5 DISCRETION OF THE LICENSED CORPORATION.

6 (D) IN CONSIDERING AN APPLICATION FOR A LICENSE TO A
7 CORPORATION, THE COMMISSIONS MAY GIVE CONSIDERATION TO THE
8 NUMBER OF LICENSES ALREADY GRANTED. NO LICENSE SHALL BE GRANTED
9 TO ANY TRACK LOCATED WITHIN TEN MILES OF A STATE, COUNTY OR
10 OTHER POLITICAL SUBDIVISION FAIR CONDUCTING HORSE RACING UNLESS
11 THE ASSOCIATION, CORPORATION, SOCIETY, POLITICAL SUBDIVISION OR
12 STATE AGENCY CONDUCTING THE FAIR SHALL AFFIRMATIVELY WAIVE
13 OBJECTION TO THE ISSUANCE OF THE LICENSE FOR DATES WITHIN THE
14 PERIOD.

15 (E) THE COMMISSIONS MAY REFUSE TO GRANT, MAY REVOKE, OR MAY
16 SUSPEND A LICENSE TO A CORPORATION, IF IT SHALL DETERMINE THAT:

17 (1) ANY OFFICER, DIRECTOR, MEMBER OR STOCKHOLDER OF THE
18 CORPORATION APPLYING FOR A LICENSE OR OF ANY CORPORATION
19 WHICH OWNS STOCK IN OR SHARES IN THE PROFITS, OR PARTICIPATES
20 IN THE MANAGEMENT OF THE AFFAIRS OF THE APPLICANT, OR WHICH
21 LEASES TO THE APPLICANT THE TRACK WHERE IT SHALL OPERATE:

22 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
23 TURPITUDE;

24 (II) HAS ENGAGED IN BOOKMAKING OR OTHER FORMS OF
25 ILLEGAL GAMBLING;

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

28 (IV) HAS BEEN GUILTY OF ANY VIOLATION OR ATTEMPT TO
29 VIOLATE ANY LAW, RULE OR REGULATION OF ANY RACING
30 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE

1 IMPOSED IN SUCH JURISDICTION; OR

2 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
3 THE COMMISSIONS.

4 (2) THE EXPERIENCE, CHARACTER OR FITNESS OF ANY OFFICER,
5 DIRECTOR OR STOCKHOLDER OF ANY OF THE CORPORATIONS IS SUCH
6 THAT THE PARTICIPATION OF THE PERSON IN HORSE RACING OR
7 RELATED ACTIVITIES WOULD BE INCONSISTENT WITH THE PUBLIC
8 INTEREST, CONVENIENCE OR NECESSITY OR WITH THE BEST INTERESTS
9 OF RACING. IF THE COMMISSION DETERMINES THAT THE INTEREST OF
10 ANY STOCKHOLDER REFERRED TO IN THIS PARAGRAPH OR IN PARAGRAPH
11 (1) IS INSUFFICIENT TO AFFECT ADVERSELY THE CONDUCT OF PARI-
12 MUTUEL HORSE RACING BY THE CORPORATION IN ACCORDANCE WITH THE
13 PROVISIONS OF THIS ACT, THE COMMISSIONS MAY DISREGARD THE
14 INTEREST IN DETERMINING WHETHER OR NOT TO GRANT A LICENSE TO
15 THE CORPORATION.

16 (3) THE APPLICANT IS NOT THE OWNER OR THE LESSEE OF THE
17 TRACK AT WHICH IT WILL CONDUCT PARI-MUTUEL HORSE RACING UNDER
18 THE LICENSE APPLIED FOR, OR THAT ANY PERSON, FIRM,
19 ASSOCIATION OR CORPORATION OTHER THAN THE APPLICANT SHARES,
20 OR WILL SHARE, IN THE PROFITS OF THE APPLICANT, OTHER THAN BY
21 DIVIDENDS AS A STOCKHOLDER, OR PARTICIPATES, OR WILL
22 PARTICIPATE IN THE MANAGEMENT OF THE AFFAIRS OF THE
23 APPLICANT.

24 (4) THE CORPORATION DOES NOT HAVE THE USE OF A FACILITY
25 TO CONDUCT HORSE RACE MEETINGS. SUCH USE MUST BE PROVED BY A
26 PREPONDERANCE OF THE EVIDENCE. THE PROOF MAY BE DEMONSTRATED
27 BY DOCUMENTATION OF AN OWNERSHIP INTEREST IN THE FACILITY OR
28 BY A WRITTEN LEASE FOR USE OF THE FACILITY.

29 (5) A LICENSED CORPORATION DOES NOT HAVE PROOF OF A
30 WRITTEN LEASE OF A FACILITY TO CONDUCT HORSE RACE MEETINGS.

1 UNDER THIS PARAGRAPH, THE APPROPRIATE COMMISSION MAY SUSPEND
2 A LICENSE FOR A PERIOD OF TWO YEARS. AFTER THE EXPIRATION OF
3 THE SUSPENSION, THE APPROPRIATE COMMISSION MAY THEN REVOKE
4 THE LICENSE, IF THE LICENSED CORPORATION HAS FAILED TO
5 CONTRACT FOR A FACILITY AT WHICH TO CONDUCT HORSE RACE
6 MEETINGS.

7 (6) A LICENSED CORPORATION HAS COMMINGLED HORSEMEN'S
8 FUNDS IN VIOLATION OF SECTION 235(C) OR HAS REFUSED TO PLACE
9 ON DEPOSIT A LETTER OF CREDIT UNDER SECTION 236.

10 (F) THE COMMISSIONS SHALL ALSO HAVE POWER TO REFUSE TO
11 GRANT, REVOKE OR SUSPEND A LICENSE:

12 (1) TO ANY CORPORATION, THE CHARTER OR CERTIFICATE OF
13 INCORPORATION OF WHICH SHALL FAIL TO CONTAIN A PROVISION
14 REQUIRING ANY STOCKHOLDER, UPON WRITTEN DEMAND OF THE
15 CORPORATION, TO SELL HIS STOCK TO THE CORPORATION AT A PRICE
16 TO BE FIXED BY THE APPROPRIATE COMMISSION, PROVIDED THE
17 DEMAND BE MADE PURSUANT TO WRITTEN DIRECTION OF THE
18 APPROPRIATE COMMISSION AND FROM THE DATE OF THE MAKING OF THE
19 DEMAND PROHIBITING THE TRANSFER OF THE CERTIFICATE OF STOCK
20 EXCEPT TO THE CORPORATION.

21 (2) TO ANY CORPORATION WHICH, HAVING BEEN A LICENSEE,
22 HAS FAILED, IN THE OPINION OF THE APPROPRIATE COMMISSION, TO
23 PROPERLY MAINTAIN ITS TRACK AND PLANT IN GOOD CONDITION OR
24 HAS FAILED TO MAKE ADEQUATE PROVISION FOR REHABILITATION AND
25 CAPITAL IMPROVEMENTS TO ITS TRACK AND PLANT.

26 (G) PENDING FINAL DETERMINATION OF ANY QUESTION UNDER THIS
27 SECTION, THE COMMISSIONS MAY ISSUE A TEMPORARY LICENSE UPON SUCH
28 TERMS AND CONDITIONS AS THEY SEE FIT TO EFFECTUATE THE
29 PROVISIONS OF THIS ACT.

30 (H) THE COMMISSIONS SHALL HAVE POWER TO DIRECT THAT EVERY

1 CERTIFICATE OF STOCK OF A LICENSED CORPORATION SHALL BEAR A
2 LEGEND, PLAINLY AND PROMINENTLY IMPRINTED UPON THE FACE OF THE
3 CERTIFICATE, READING: "THIS CERTIFICATE OF STOCK IS TRANSFERABLE
4 ONLY SUBJECT TO THE PROVISIONS OF THE 'RACE HORSE INDUSTRY
5 REFORM ACT'." THE PROVISIONS OF THIS SUBSECTION SHALL NOT APPLY
6 TO STOCK HERETOFORE ISSUED BY A LICENSED CORPORATION UNDER THE
7 PROVISIONS OF THE ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), AS
8 AMENDED, AND REFERRED TO AS THE PENNSYLVANIA THOROUGHBRED HORSE
9 RACING LAW OR OF THE ACT OF DECEMBER 22, 1959 (P.L.1978,
10 NO.728), AS AMENDED, AND REFERRED TO AS THE PENNSYLVANIA HARNESS
11 RACING LAW.

12 SECTION 210. SHAREHOLDERS.

13 (A) EACH LICENSED CORPORATION SHALL, ONCE A YEAR, PROVIDE
14 THE APPROPRIATE COMMISSION WITH A COMPLETE LIST OF ALL ITS
15 SHAREHOLDERS, INDICATING THE NUMBER OF SHARES BY EACH
16 SHAREHOLDER.

17 (B) IT SHALL BE THE DUTY OF EACH LICENSED CORPORATION WITHIN
18 TEN DAYS AFTER ANY TRANSFER OF STOCK COMPRISING AN INTEREST OF
19 5% OR MORE IN SUCH LICENSEE, TO NOTIFY THE APPROPRIATE
20 COMMISSION OF THE TRANSFER.

21 (C) EACH CERTIFICATE OF STOCK ISSUED BY A LICENSED
22 CORPORATION TO A SHAREHOLDER HAVING A 5% OR GREATER INTEREST
23 SHALL HAVE NOTED ON THE FACE THEREOF THAT THE PERSON WHOSE NAME
24 IS INDICATED AS THE OWNER OF SUCH SHARES OF STOCK BY THE
25 CERTIFICATE IS THE SOLE AND ABSOLUTE OWNER, AND THAT HE IS NOT
26 HOLDING SUCH SHARES OF STOCK OR ANY PORTION OF SUCH SHARES OF
27 STOCK REPRESENTED BY THE CERTIFICATE IN TRUST FOR ANY PERSON,
28 PARTNERSHIP, FIRM OR CORPORATION WHO OR WHICH IS PROHIBITED FROM
29 OWNING SUCH SHARES OF STOCK. IF ANY OF SUCH SHARES OF STOCK
30 REPRESENTED BY A CERTIFICATE OF STOCK ARE HELD SUBJECT TO THE

1 TERMS OF EITHER AN INTER VIVOS OR TESTAMENTARY TRUST FOR THE
2 BENEFIT OF ANY PERSON WHO COULD LAWFULLY OWN SUCH STOCK IN HIS
3 OWN NAME, THE FACT SHALL BE NOTED ON THE FACE OF THE CERTIFICATE
4 AND A COPY OF THE INSTRUMENT WHICH CREATED THE TRUST SHALL BE
5 ATTACHED. A DUPLICATE COPY OF THE INSTRUMENT WHICH CREATED THE
6 TRUST SHALL BE FILED WITH THE APPROPRIATE COMMISSION.

7 (D) NO PROPERTY RIGHTS SHALL EXIST IN ANY SHARES OF STOCK OF
8 ANY LICENSED CORPORATION WHICH ARE HELD IN TRUST CONTRARY TO THE
9 PROVISIONS OF THIS SECTION AND THE SAME SHALL BE FORFEITED TO
10 THE COMMONWEALTH AFTER REASONABLE NOTICE AND UPON HEARING AND
11 PROOF THEREOF IN ANY SUIT INSTITUTED BY THE ATTORNEY GENERAL OF
12 PENNSYLVANIA. UPON IT BEING ESTABLISHED THAT THE STOCK IS
13 SUBJECT TO FORFEITURE BY LEGAL ADJUDICATION, THE APPROPRIATE
14 COMMISSION SHALL SELL THE FORFEITED STOCK AT PUBLIC SALE, UPON
15 PROPER NOTICE, TO THE HIGHEST BIDDER. THE PROCEEDS FROM THE SALE
16 SHALL BE DEPOSITED IN THE GENERAL FUND OF THE COMMONWEALTH OF
17 PENNSYLVANIA.

18 (E) AS USED IN THIS SECTION, THE TERM "LICENSED CORPORATION"
19 SHALL INCLUDE ANY LICENSED CORPORATION AS DEFINED IN SECTION 102
20 AND ALSO ANY FIRM, ASSOCIATION OR CORPORATION WHICH OWNS OR
21 LEASES TO ANY LICENSED ASSOCIATION OR CORPORATION A RACE TRACK
22 AT WHICH PARI-MUTUEL RACING IS CONDUCTED, OR ANY FIRM,
23 ASSOCIATION OR CORPORATION WHICH PARTICIPATES IN THE MANAGEMENT
24 OF ANY SUCH LICENSED CORPORATION.

25 SECTION 211. PROHIBITION OF INTEREST BY PUBLIC OFFICERS, PUBLIC
26 EMPLOYEES AND PARTY OFFICERS IN PARI-MUTUEL RACING
27 ACTIVITIES.

28 (A) NO PUBLIC OFFICER, PUBLIC EMPLOYEE OR PARTY OFFICER
29 SHALL:

30 (1) HOLD ANY LICENSE TO CONDUCT A PARI-MUTUEL MEET FROM

1 THE COMMISSIONS;

2 (2) OWN OR HOLD, DIRECTLY OR INDIRECTLY, ANY PROPRIETARY
3 INTEREST, STOCK OR OBLIGATION OF ANY FIRM, ASSOCIATION OR
4 CORPORATION:

5 (I) WHICH IS LICENSED BY THE COMMISSIONS TO CONDUCT
6 PARI-MUTUEL RACING;

7 (II) WHICH IS LICENSED TO CONDUCT ITS OCCUPATION,
8 TRADE OR BUSINESS AT RACE TRACKS AT WHICH PARI-MUTUEL
9 RACE MEETS ARE CONDUCTED;

10 (III) WHICH OWNS OR LEASES TO ANY LICENSED
11 ASSOCIATION OR CORPORATION A RACE TRACK AT WHICH PARI-
12 MUTUEL RACING IS CONDUCTED; OR

13 (IV) WHICH PARTICIPATES IN THE MANAGEMENT OF ANY
14 LICENSED CORPORATION CONDUCTING PARI-MUTUEL RACING; AND

15 (3) HOLD ANY OFFICE OR EMPLOYMENT WITH ANY FIRM,
16 ASSOCIATION OR CORPORATION SPECIFIED IN PARAGRAPH (2); OR

17 (4) SELL OR BE A MEMBER OF A FIRM OR OWN 10% OR MORE OF
18 THE STOCK OF ANY CORPORATION WHICH SELLS ANY GOODS OR
19 SERVICES TO ANY FIRM, ASSOCIATION OR CORPORATION SPECIFIED IN
20 PARAGRAPH (2).

21 THE PROVISIONS OF PARAGRAPH (3) SHALL NOT APPLY TO A PUBLIC
22 EMPLOYEE OTHER THAN A POLICE OFFICER OR PAID EMPLOYEE OF A
23 POLICE DEPARTMENT, SHERIFF'S OFFICE, DISTRICT ATTORNEY'S OFFICE
24 OR OTHER LAW ENFORCEMENT AGENCY SO LONG AS SUCH EMPLOYMENT OF
25 EMPLOYEES OF A POLITICAL SUBDIVISION MAY BE PROHIBITED BY
26 ORDINANCE, RESOLUTION OR LOCAL LAW.

27 (B) A KNOWING AND WILLFUL VIOLATION OF THIS SECTION SHALL BE
28 CAUSE FOR REMOVAL FROM PUBLIC OFFICE, PUBLIC EMPLOYMENT OR PARTY
29 OFFICE. IN ANY SUCH CASE, THE PUBLIC OFFICER, PUBLIC EMPLOYEE OR
30 PARTY OFFICER, VIOLATING THIS SECTION, SHALL BE REMOVED FROM

1 OFFICE BY APPROPRIATE AUTHORITY HAVING THE POWER OF REMOVAL.

2 (C) THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT
3 SHALL HAVE, UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE, THE
4 MEANINGS GIVEN TO THEM IN THIS SECTION:

5 "PARTY OFFICER." THE FOLLOWING MEMBERS OR OFFICERS OF ANY
6 POLITICAL PARTY:

7 (1) A MEMBER OF A NATIONAL COMMITTEE;

8 (2) A CHAIRMAN, VICE-CHAIRMAN, SECRETARY, TREASURER OR
9 COUNSEL OF A STATE COMMITTEE OR MEMBER OF THE EXECUTIVE
10 COMMITTEE OF A STATE COMMITTEE;

11 (3) A COUNTY CHAIRMAN, VICE-CHAIRMAN, COUNSEL, SECRETARY
12 OR TREASURER OF A COUNTY COMMITTEE; OR

13 (4) A CITY CHAIRMAN, VICE-CHAIRMAN, COUNSEL, SECRETARY
14 OR TREASURER OF A CITY COMMITTEE.

15 "PUBLIC EMPLOYEE." EVERY PERSON EMPLOYED BY THE COMMONWEALTH
16 OR ANY POLITICAL SUBDIVISION THEREOF.

17 "PUBLIC OFFICER." EVERY PERSON ELECTED TO ANY PUBLIC OFFICE
18 OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF.

19 (D) THE COMMISSIONS SHALL HAVE THE POWER TO REFUSE TO GRANT
20 OR TO REVOKE OR SUSPEND A LICENSE OF ANY FIRM, ASSOCIATION OR
21 CORPORATION WHICH AIDS OR KNOWINGLY PERMITS OR CONSPIRES TO
22 PERMIT ANY PUBLIC OFFICER, PUBLIC EMPLOYEE OR PARTY OFFICER TO
23 ACQUIRE OR RETAIN ANY INTEREST PROHIBITED BY THIS SECTION.

24 (E) THE PROVISIONS OF THIS SECTION SHALL ALLOW ANY PERSON
25 OTHER THAN MEMBERS, EMPLOYEES OR APPOINTEES OF THE COMMISSIONS
26 TO OWN AND TO BE LICENSED TO RACE A HORSE AT ANY LICENSED RACE
27 TRACK.

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 JUDGES AND STARTERS

1 SHALL BE APPROVED BY THE COMMISSION. THESE OFFICIALS SHALL
2 ENFORCE THE RULES AND REGULATIONS OF THE STATE HORSE RACING
3 COMMISSION AND SHALL RENDER WRITTEN REPORTS OF THE ACTIVITIES
4 AND CONDUCT OF SUCH RACE MEETINGS TO THE STATE HORSE RACING
5 COMMISSION. THE COMPENSATION OF THESE JUDGES AND STARTERS SHALL
6 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 213. LICENSES FOR COMMISSIONERS, EMPLOYEES AND
23 PARTICIPANTS AT HORSE RACE MEETINGS.

24 (A) EACH COMMISSION SHALL LICENSE TRAINERS, JOCKEYS,
25 DRIVERS, PERSONS PARTICIPATING IN THOROUGHBRED AND HARNESS HORSE
26 RACE MEETINGS, HORSE OWNERS AND ALL OTHER PERSONS AND VENDORS
27 EXERCISING THEIR OCCUPATION OR EMPLOYED AT THOROUGHBRED AND
28 HARNESS HORSE RACE MEETINGS. THE LICENSE GIVES ITS HOLDER A
29 PRIVILEGE TO ENGAGE IN THE SPECIFIED ACTIVITY, BUT THE LICENSE
30 DOES NOT GIVE ITS HOLDER A PROPERTY RIGHT. LICENSES ARE NOT

1 TRANSFERABLE. EACH COMMISSION SHALL FIX THE LICENSE FEES TO BE
2 PAID BY PERSONS OR CORPORATIONS SO LICENSED; PROVIDED, HOWEVER,
3 THAT SUCH OCCUPATIONAL LICENSE FEES SHALL NOT EXCEED \$100. ALL
4 FEES SHALL BE PAID TO THE COMMISSIONS AND BY THEM PAID INTO THE
5 STATE TREASURY THROUGH THE DEPARTMENT OF REVENUE AND CREDITED TO
6 THE STATE RACING FUND. THE APPLICATION SHALL BE IN THE FORM AND
7 CONTAIN THE INFORMATION AS EACH COMMISSION MAY REQUIRE.
8 APPLICANTS MUST HAVE THEIR FINGERPRINTS TAKEN OR HAVE
9 FINGERPRINT RECORDS ON FILE WITH THE RESPECTIVE COMMISSION, THE
10 FEDERAL BUREAU OF INVESTIGATION, THE STATE POLICE OR ANY OTHER
11 ORGANIZATION RECOGNIZED BY THE RESPECTIVE COMMISSION AS PART OF
12 THE BACKGROUND INVESTIGATION. EACH COMMISSION MAY EXEMPT
13 APPLICANTS FROM THE FINGERPRINT REQUIREMENT FOR POSITIONS NOT
14 RELATED TO THE CARE OR TRAINING OF HORSES, RACING, WAGERING,
15 SECURITY OR THE MANAGEMENT OPERATIONS OF THE RACING CORPORATION
16 OR RACETRACK. ALL LICENSES SHALL BE ISSUED FOR THREE-YEAR TERMS
17 AND SHALL BE AUTOMATICALLY RENEWED, UPON PAYMENT OF THE REQUIRED
18 FEE, UNLESS SUBSECTION (F) APPLIES. EACH COMMISSION MAY
19 ESTABLISH A TEMPORARY LICENSE AND FEE VALID FOR FOUR MONTHS
20 WITHIN A TWELVE-MONTH PERIOD. NO APPLICANT, HOWEVER, MAY RECEIVE
21 MORE THAN ONE TEMPORARY LICENSE WITHIN 12 MONTHS OF THE ISSUANCE
22 OF HIS OR HER PRECEDING TEMPORARY LICENSE. THE COMMISSIONS MAY
23 ALSO STAGGER THE TERMINATION DATES AND RENEWAL DATES OF THE
24 LICENSES, IN ORDER TO PROCESS AND ISSUE THE LICENSES IN AN
25 ORDERLY MANNER THAT PROVIDES FOR APPROXIMATELY ONE-THIRD OF THE
26 LICENSES TO BE RENEWED EACH YEAR. THE COMMISSIONS SHALL FIX THE
27 MANNER BY WHICH LICENSES ARE PROCESSED AND ISSUED BY RULE OR
28 REGULATION.

29 (B) ALL COMMISSIONERS AND ALL EMPLOYEES, AGENTS AND
30 REPRESENTATIVES OF THE COMMISSIONS SHALL BE LICENSED UNDER THIS

1 ACT. THERE SHALL BE NO FEE FOR THIS LICENSE. THE COMMISSIONS
2 SHALL FIX BY RULE OR REGULATION THE MANNER IN WHICH THESE
3 LICENSES UNDER THIS SUBSECTION SHALL BE PROCESSED AND ISSUED.

4 (C) IF THE COMMISSIONS FIND THAT THE EXPERIENCE, CHARACTER
5 AND GENERAL FITNESS OF THE APPLICANT ARE SUCH THAT THE
6 PARTICIPATION OF THE PERSON IN HORSE RACE MEETS IS CONSISTENT
7 WITH THE PUBLIC INTEREST, CONVENIENCE AND NECESSITY, AND WITH
8 THE BEST INTERESTS OF RACING GENERALLY IN CONFORMITY WITH THE
9 PURPOSES OF THIS ACT, IT MAY GRANT A LICENSE.

10 (D) THE COMMISSIONS MAY REFUSE TO ISSUE A LICENSE UNDER THIS
11 SECTION, IF THEY SHALL FIND THAT THE APPLICANT:

12 (1) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
13 TURPITUDE.

14 (2) HAS ENGAGED IN BOOKMAKING OR OTHER FORM OF ILLEGAL
15 GAMBLING.

16 (3) HAS BEEN FOUND GUILTY OF ANY FRAUD OR
17 MISREPRESENTATION IN CONNECTION WITH RACING OR BREEDING.

18 (4) HAS BEEN FOUND GUILTY OF ANY VIOLATION OR ATTEMPT TO
19 VIOLATE ANY LAW, RULE OR REGULATION OF RACING IN ANY
20 JURISDICTION, FOR WHICH SUSPENSION FROM RACING MIGHT BE
21 IMPOSED IN THAT JURISDICTION.

22 (5) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF THE
23 COMMISSIONS.

24 (D.1) THE COMMISSIONS SHALL REFUSE TO ISSUE A LICENSE UNDER
25 THIS SECTION IF THEY SHALL FIND THAT THE APPLICANT HAS BEEN
26 CONVICTED OF AN OFFENSE RELATING TO FIXING RACES. THIS
27 SUBSECTION SHALL NOT APPLY IF THE CONVICTION IS OVERTURNED ON
28 APPEAL UNDER THE LAWS OF THE JURISDICTION OF THE ORIGINAL
29 FINDING.

30 (E) EACH COMMISSION SHALL HAVE THE RIGHT TO INSPECT ALL

1 CONTRACTS BETWEEN LICENSED CORPORATIONS AND VENDORS FOR GOODS
2 AND SERVICES. EACH COMMISSION SHALL REQUIRE BY RULE OR
3 REGULATION THAT VENDORS DISCLOSE TO THE APPROPRIATE COMMISSION
4 ALL PRINCIPAL OFFICERS AND A DESCRIPTION OF THEIR INTERESTS IN
5 THE VENDORS' BUSINESS. FAILURE TO PROPERLY DISCLOSE THIS
6 INFORMATION SHALL CONSTITUTE GROUNDS TO DENY, TO REVOKE OR TO
7 SUSPEND ANY VENDOR'S LICENSE ISSUED UNDER THE PROVISIONS OF THIS
8 ACT.

9 (F) THE COMMISSIONS MAY SUSPEND, REFUSE TO RENEW OR REVOKE A
10 LICENSE ISSUED UNDER THIS SECTION, IF IT SHALL DETERMINE THAT:

11 (1) THE APPLICANT OR LICENSEE:

12 (I) HAS BEEN CONVICTED OF A CRIME INVOLVING MORAL
13 TURPITUDE;

14 (II) HAS ENGAGED IN BOOKMAKING OR OTHER FORM OF
15 ILLEGAL GAMBLING;

16 (III) HAS BEEN FOUND GUILTY OF ANY FRAUD IN
17 CONNECTION WITH RACING OR BREEDING;

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

22 (V) HAS VIOLATED ANY RULE, REGULATION OR ORDER OF
23 THE COMMISSIONS; OR

24 (VI) HAS BEEN CONVICTED OF A FELONY OFFENSE RELATED
25 TO THE USE, POSSESSION OR SALE OF DRUGS OR ALCOHOL.

26 (2) THAT THE EXPERIENCE, CHARACTER OR GENERAL FITNESS OF
27 ANY APPLICANT OR LICENSEE IS SUCH THAT THE PARTICIPATION OF
28 THE PERSON IN HORSE RACING OR RELATED ACTIVITIES WOULD BE
29 INCONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE OR
30 NECESSITY OR WITH THE BEST INTERESTS OF RACING.

1 (F.1) THE COMMISSIONS SHALL SUSPEND, REFUSE TO RENEW OR
2 REVOKE A LICENSE ISSUED UNDER THIS SECTION IF IT SHALL DETERMINE
3 THAT THE APPLICANT OR LICENSEE HAS BEEN CONVICTED OF AN OFFENSE
4 RELATED TO FIXING RACES UNLESS THE CONVICTION HAS BEEN
5 OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION OF THE
6 ORIGINAL FINDING.

7 (G) PENDING FINAL DETERMINATION OF ANY QUESTION UNDER THIS
8 SECTION, THE COMMISSIONS MAY ISSUE A TEMPORARY LICENSE UPON SUCH
9 TERMS AND CONDITIONS AS THEY MAY DEEM NECESSARY OR PROPER TO
10 EFFECTUATE THE PROVISIONS OF THIS ACT.

11 (H) THE COMMISSIONS MAY SUSPEND A LICENSE UNDER SUBSECTION
12 (F) PENDING A HEARING ON THE MATTER. THE HEARING MUST TAKE PLACE
13 WITHIN TEN DAYS OF THE SUSPENSION.

14 (I) THE COMMISSIONS SHALL NOT GRANT LICENSES TO CITIZENS OF
15 STATES THAT DO NOT GRANT LICENSES TO CITIZENS OF THIS
16 COMMONWEALTH ON THE BASIS OF IN-STATE PREFERENCE.

17 SECTION 214. POWER OF COMMISSIONS TO IMPOSE FINES AND
18 PENALTIES.

19 (A) IN ADDITION TO THEIR POWER TO SUSPEND OR REVOKE LICENSES
20 GRANTED BY THEM, THE COMMISSIONS ARE AUTHORIZED AND EMPOWERED TO
21 IMPOSE FINES UPON ANY CORPORATION, ASSOCIATION OR PERSON
22 PARTICIPATING IN ANY WAY IN ANY HORSE RACE MEET AT WHICH PARI-
23 MUTUEL WAGERING IS CONDUCTED, OTHER THAN AS A PATRON AND WHETHER
24 LICENSED BY THE COMMISSIONS OR NOT, FOR A VIOLATION OF ANY
25 PROVISION OF THIS ACT OR THE RULES AND REGULATIONS PROMULGATED
26 BY THE COMMISSIONS, NOT EXCEEDING \$5,000 FOR EACH VIOLATION,
27 WHICH FINES SHALL BE PAID INTO THE STATE TREASURY THROUGH THE
28 DEPARTMENT OF REVENUE AND CREDITED TO THE GENERAL FUND.
29 FOLLOWING EXHAUSTION OF ANY ADMINISTRATIVE REMEDIES PROMULGATED
30 BY THE COMMISSIONS FOR SUCH PURPOSE, THE ACTION OF THE

1 COMMISSIONS IN IMPOSING ANY MONETARY FINE SHALL BE SUBJECT TO
2 APPEAL TO THE COMMONWEALTH COURT AND AS APPROVED BY THAT COURT
3 SYSTEM, OR IF NO COURT APPEAL IS TAKEN, THEN AS IMPOSED, MAY BE
4 COLLECTED IN AN ACTION OF ASSUMPSIT.

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

21 (1) ANY BREEDER'S FUND AWARD AS A RESULT OF A HORSE
22 BEING A REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE UNDER
23 THE PROVISIONS OF SECTION 223; AND

24 (2) ANY INTEREST IN A LICENSED CORPORATION OR TRACK
25 FACILITY THAT WAS HELD BY A PERSON, PARTNERSHIP, ASSOCIATION
26 OR CORPORATION ON OR BEFORE JANUARY 1, 1988.

27 SECTION 215. SECURITY PERSONNEL; POWERS AND DUTIES; PENALTY.

28 (A) THE COMMISSIONS AND ANY LICENSED CORPORATIONS ARE
29 AUTHORIZED AND EMPOWERED TO EMPLOY PERSONS AS SECURITY
30 PERSONNEL. THESE PERSONS SHALL POSSESS THE POWERS AND DUTIES OF

1 A PEACE OFFICER WITH RESPECT TO THE ENFORCEMENT OF THE CRIMINAL
2 LAWS OF THE COMMONWEALTH WITHIN THE RACE MEETING GROUNDS OR
3 ENCLOSURE. THE DESIGNATED PERSONS ARE ALSO AUTHORIZED TO
4 INTERROGATE AND EJECT FROM THE RACE MEETING GROUNDS OR ENCLOSURE
5 ANY PERSONS SUSPECTED OF VIOLATING ANY RULE OR REGULATION
6 PROMULGATED BY THE COMMISSIONS. THE COMMISSIONS MAY REFUSE
7 ADMISSION TO AND EJECT FROM ENCLOSURE OF THE RACE TRACK OPERATED
8 BY ANY LICENSED CORPORATION, ANY PERSON WHOSE PRESENCE THERE IS,
9 IN THE JUDGMENT OF THE COMMISSION, INCONSISTENT WITH THE ORDERLY
10 OR PROPER CONDUCT OF A RACE MEETING OR WHOSE PRESENCE OR CONDUCT
11 IS DEEMED DETRIMENTAL TO THE BEST INTEREST OF HORSE RACING. THE
12 ACTION OF THE COMMISSIONS IN REFUSING ANY PERSON ADMISSION, OR
13 EJECTING HIM FROM, A RACE MEETING GROUND OR ENCLOSURE SHALL NOT
14 BE BECAUSE OF THE RACE, CREED, COLOR, SEX, NATIONAL ORIGIN OR
15 RELIGION OF THAT PERSON AND SHALL BE REVIEWABLE BY THE
16 COMMONWEALTH COURT.

17 (B) EXCEPT AS PROVIDED FOR IN SUBSECTIONS (C) AND (D), ANY
18 LICENSED CORPORATION MAY REFUSE ADMISSION TO AND EJECT FROM THE
19 ENCLOSURE OF THE RACE TRACK OPERATED BY ANY ASSOCIATION ANY
20 PERSON EXCEPT THAT NO PERSON SHALL BE REFUSED ADMISSION OR BE
21 EJECTED BECAUSE OF THE RACE, COLOR, CREED, SEX, NATIONAL ORIGIN
22 OR RELIGION OF THAT PERSON.

23 (C) A LICENSED CORPORATION MAY REFUSE ADMISSION TO AND EJECT
24 FROM THE ENCLOSURE OF THE RACE TRACK OPERATED BY THE
25 CORPORATION, ANY PERSON LICENSED BY THE COMMISSIONS UNDER
26 SECTION 213, EMPLOYED AT HIS OCCUPATION AT THE RACE TRACK, WHOSE
27 PRESENCE THERE IS DEEMED DETRIMENTAL TO THE BEST INTERESTS OF
28 HORSE RACING, CITING THE REASONS FOR THAT DETERMINATION. THE
29 ACTION OF THE CORPORATION IN REFUSING THE PERSON ADMISSION TO OR
30 EJECTING HIM FROM A RACE MEETING GROUND OR ENCLOSURE SHALL HAVE

1 IMMEDIATE EFFECT. THE PERSON REFUSED ADMISSION OR EJECTED SHALL
2 RECEIVE A HEARING BEFORE THE APPROPRIATE COMMISSION, IF
3 REQUESTED, PURSUANT TO RULES AND REGULATIONS ADOPTED FOR THAT
4 PURPOSE BY THE APPROPRIATE COMMISSION AND A DECISION RENDERED
5 FOLLOWING THAT HEARING.

6 (D) A LICENSED CORPORATION MAY NOT REFUSE ADMISSION TO OR
7 EJECT A LAW ENFORCEMENT OFFICIAL WHILE THAT OFFICIAL IS ACTUALLY
8 ENGAGED IN THE PERFORMANCE OF OFFICIAL DUTIES.

9 (E) A PERSON FOUND WITHIN A RACE TRACK ENCLOSURE AFTER
10 HAVING BEEN REFUSED ADMISSION THERETO OR EJECTED THEREFROM
11 SHALL, UPON CONVICTION THEREOF IN A SUMMARY PROCEEDING, BE
12 SENTENCED TO PAY A FINE NOT EXCEEDING \$300 OR UNDERGO
13 IMPRISONMENT FOR A TERM NOT EXCEEDING 90 DAYS, OR BOTH.

14 SECTION 216. INTERSTATE SIMULCASTINGS OF HORSE RACES.

15 EACH COMMISSION MAY, UPON REQUEST BY ANY LICENSED
16 CORPORATION, GRANT PERMISSION FOR ELECTRONICALLY TELEVISED
17 SIMULCASTS OF HORSE RACES TO BE OPERATED BY THE LICENSED
18 CORPORATION AT THE RACE TRACK ENCLOSURE WHERE A HORSE RACE
19 MEETING IS BEING CONDUCTED DURING, BETWEEN, BEFORE OR AFTER
20 POSTED RACES FOR THAT RACING DAY. THE POSTED RACES FOR THAT
21 RACING DAY SHALL INCLUDE A MINIMUM OF EIGHT LIVE RACES, EXCEPT,
22 AT THOROUGHBRED TRACKS ON THE ONE DAY DESIGNATED AS BREEDERS'
23 CUP EVENT DAY, THERE SHALL BE A MINIMUM OF FIVE LIVE RACES. THE
24 SIMULCASTS SHALL BE LIMITED TO HORSE RACES CONDUCTED AT
25 FACILITIES OUTSIDE THIS COMMONWEALTH AND TELEVISED TO RACE TRACK
26 ENCLOSURES WITHIN THIS COMMONWEALTH. THE SIMULCASTS SHALL ALSO
27 BE LIMITED TO THOROUGHBRED RACES DESIGNATED AS GRADE I STAKES,
28 OR THE INTERNATIONAL EQUIVALENT THERETO, WITH PURSES OF AT LEAST
29 \$100,000; STANDARD BRED RACES WITH PURSES OF AT LEAST \$100,000;
30 AND OTHER STAKES RACES WHICH HAVE, IN THE OPINION OF THE

1 APPROPRIATE COMMISSION, SIGNIFICANT VALUE TO THE PENNSYLVANIA
2 RACING INDUSTRY. CROSS SIMULCASTING OF THE AFOREMENTIONED RACES
3 SHALL BE PERMITTED AS LONG AS THE PARTICULAR RACE IS AVAILABLE
4 TO ALL RACE TRACKS IN THE COMMONWEALTH WHICH ARE OPERATING LIVE
5 RACING THAT DAY. ALL SIMULCASTS OF HORSE RACES FROM OUTSIDE THIS
6 COMMONWEALTH SHALL ALSO COMPLY WITH THE PROVISIONS OF THE
7 INTERSTATE HORSE RACING ACT OF 1978, 92 STAT. 1811, 15 USC 3001
8 ET SEQ. ALL FORMS OF PARI-MUTUEL WAGERING AS DESCRIBED UNDER
9 SECTION 221 SHALL BE ALLOWED ON HORSE RACES TO BE TELEVISED BY
10 SIMULCASTING. EACH COMMISSION MAY PROMULGATE RULES OR
11 REGULATIONS TO REGULATE THE WAGERING AND THE OPERATION OF THESE
12 HORSE RACES. ALL MONEYS WAGERED BY PATRONS ON THESE HORSE RACES
13 SHALL BE COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY
14 FOR PURPOSES OF TAXATION UNDER SECTION 222.

15 SECTION 216.1. TELEVISED INTERNATIONAL AND INTERSTATE
16 SIMULCASTINGS OF HORSE RACES.

17 (A) EACH COMMISSION MAY, UPON REQUEST BY A LICENSED
18 CORPORATION, GRANT PERMISSION TO MAINTAIN COMMON PARI-MUTUEL
19 POOLS ON INTERNATIONAL AND INTERSTATE RACES TRANSMITTED TO AND
20 FROM THE RACETRACK ENCLOSURES WITHIN THIS COMMONWEALTH, SUCH
21 LICENSED CORPORATION TO BE DESIGNATED AS THE "HOST LICENSEE."
22 THE PERMISSION TO ACT AS HOST LICENSEE FOR INTERNATIONAL AND
23 INTERSTATE SIMULCAST RACES SHALL BE LIMITED TO LICENSED
24 CORPORATIONS:

25 (1) WHICH HAVE A LIVE RACING AGREEMENT WITH A HORSEMAN'S
26 ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND TRAINERS
27 AT THE FACILITY WHERE THE LICENSED CORPORATION CONDUCTS
28 RACING DATES;

29 (2) WHICH HAVE SCHEDULED 95% OF THE TOTAL NUMBER OF
30 HORSE OR HARNESS RACING DAYS SCHEDULED IN 1986 BY IT OR ITS

1 PREDECESSOR AT THE FACILITY WHERE THE LICENSED CORPORATION
2 CONDUCTS RACING DATES; AND

3 (3) WHICH, SUBJECT TO ACTIONS OR ACTIVITIES BEYOND THE
4 CONTROL OF THE LICENSEE, CONDUCT NOT LESS THAN EIGHT LIVE
5 RACES PER RACE DATE DURING EACH MEET AT THE FACILITY WHERE
6 THE LICENSED CORPORATION CONDUCTS RACING DATES, EXCEPT FOR
7 THOROUGHBRED TRACKS ON THE DAY DESIGNATED AS BREEDER'S CUP
8 EVENT DAY, WHEN THE FACILITY SHALL HOLD A MINIMUM OF FIVE
9 LIVE RACES.

10 A HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND
11 TRAINERS AT A RACETRACK MAY CONSENT TO WAIVING OR MODIFYING THE
12 PROVISIONS PERTAINING TO THE REQUIRED NUMBER OF RACING DAYS AND
13 RACES PER DAY SCHEDULED BY A LICENSED CORPORATION AT THAT
14 RACETRACK.

15 (B) CROSS SIMULCASTING OF THE RACES DESCRIBED IN SUBSECTION
16 (A) SHALL BE PERMITTED IF ALL AMOUNTS WAGERED ON THE RACES IN
17 THIS COMMONWEALTH ARE INCLUDED IN COMMON PARI-MUTUEL POOLS. A
18 HOST LICENSEE SEEKING PERMISSION TO CROSS SIMULCAST MUST OBTAIN
19 APPROVAL FROM BOTH THE STATE HARNESS RACING COMMISSION AND THE
20 STATE HORSE RACING COMMISSION. ALL SIMULCASTS OF HORSE RACES
21 SHALL ALSO COMPLY WITH THE PROVISIONS OF THE INTERSTATE HORSE
22 RACING ACT OF 1978 (92 STAT. 1811, 15 U.S.C. § 3001 ET SEQ.).
23 ALL FORMS OF PARI-MUTUEL WAGERING AS DESCRIBED UNDER SECTION 221
24 SHALL BE ALLOWED ON HORSE RACES TO BE TELEVISED BY SIMULCASTING.
25 EACH COMMISSION MAY PERMIT PARI-MUTUEL POOLS IN THIS
26 COMMONWEALTH TO BE COMBINED WITH PARI-MUTUEL POOLS CREATED UNDER
27 THE LAWS OF ANOTHER JURISDICTION AND MAY PERMIT PARI-MUTUEL
28 POOLS CREATED UNDER THE LAWS OF ANOTHER JURISDICTION TO BE
29 COMBINED WITH PARI-MUTUEL POOLS IN THIS COMMONWEALTH. EACH
30 COMMISSION MAY PROMULGATE RULES OR REGULATIONS TO REGULATE

1 WAGERING ON TELEVISED SIMULCASTS.

2 (C) ALL MONEYS WAGERED BY PATRONS IN THIS COMMONWEALTH ON
3 THESE HORSE RACES SHALL BE COMPUTED IN THE AMOUNT OF MONEY
4 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
5 222 AND ALL THOROUGHBRED RACES SHALL BE CONSIDERED A PART OF A
6 THOROUGHBRED HORSE RACE MEETING AND ALL HARNESS RACES SHALL BE
7 CONSIDERED A PART OF A HARNESS HORSE RACE MEETING FOR PURPOSES
8 OF SECTION 222(B)(5).

9 SECTION 217. REFUNDS.

10 (A) MONEY RECEIVED BY THE COMMISSIONS MAY, WITHIN ONE YEAR
11 FROM RECEIPTS THEREOF, BE REFUNDED, TO THE PARTY FOR WHOSE
12 ACCOUNT THE SAME WERE RECEIVED, ON PROOF SATISFACTORY TO THE
13 COMMISSIONS THAT:

14 (1) THE MONEYS WERE IN EXCESS OF THE AMOUNT REQUIRED BY
15 LAW;

16 (2) THE LICENSE FOR WHICH APPLICATION WAS MADE HAS BEEN
17 REFUSED BY THE COMMISSION;

18 (3) THE MONEYS WERE RECEIVED AS A FINE AND THE
19 COMMISSION HAS, AFTER REVIEW, REDUCED THE AMOUNT OF THE FINE;
20 OR

21 (4) UPON APPEAL, THE COURT REDUCED OR REMITTED THE FINE
22 IMPOSED AND PAID.

23 (B) REFUNDS SHALL, UPON APPROVAL BY THE COMMISSION AND AFTER
24 APPROVAL BY THE BOARD OF FINANCE AND REVENUE, BE PAID FROM ANY
25 MONEYS IN THE STATE RACING FUND.

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

28 (A) EVERY LICENSED CORPORATION SHALL PROVIDE DURING A HORSE
29 RACE MEETING A PLACE OR PLACES WITHIN THE RACE TRACK ENCLOSURE
30 AT WHICH THE LICENSED CORPORATION SHALL CONDUCT THE PARI-MUTUEL

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

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

28 (C) A LICENSED CORPORATION SHALL ONLY ACCEPT AND TABULATE A
29 WAGER BY A DIRECT TELEPHONE CALL FROM THE HOLDER OF A TELEPHONE
30 WAGERING ACCOUNT. NO PERSON SHALL DIRECTLY OR INDIRECTLY ACT AS

1 AN INTERMEDIARY, TRANSMITTER OR AGENT IN THE PLACING OF WAGERS
2 FOR A HOLDER OF A TELEPHONE WAGERING ACCOUNT. NO PERSON SHALL IN
3 ANY MANNER PLACE ANY WAGER BY TELEPHONE TO A FACILITY IN THE
4 RACE TRACK ENCLOSURE ON BEHALF OF A HOLDER OF A TELEPHONE
5 WAGERING ACCOUNT. ONLY THE HOLDER OF A TELEPHONE WAGERING
6 ACCOUNT SHALL PLACE A TELEPHONE WAGER. ANY PERSON VIOLATING THIS
7 SUBSECTION SHALL BE GUILTY OF A MISDEMEANOR OF THE FIRST DEGREE.

8 (D) A LICENSED CORPORATION SHALL NOT ACCEPT A TELEPHONE
9 WAGER FROM, NOR ESTABLISH A TELEPHONE BETTING ACCOUNT FOR, ANY
10 PERSON LOCATED IN OR RESIDING IN AN AREA DEFINED HEREIN AS THE
11 PRIMARY MARKET AREA OF A RACE TRACK, OTHER THAN THE RACE TRACK
12 AT WHICH THE LICENSED CORPORATION IS CONDUCTING A RACING MEET.
13 NOTHING HEREIN SHALL PROHIBIT THE LICENSED CORPORATION FROM
14 ACCEPTING A TELEPHONE WAGER FROM, OR ESTABLISHING A TELEPHONE
15 BETTING ACCOUNT FOR, ANY PERSON LOCATED IN OR RESIDING IN THE
16 PRIMARY MARKET AREA OF THE TRACK AT WHICH THE LICENSED
17 CORPORATION IS CONDUCTING A MEET AND, IF TWO TRACKS SHARE
18 PRIMARY MARKET AREA AS DEFINED HEREIN, BOTH TRACKS SHALL HAVE
19 EQUAL RIGHTS TO THE MARKET IN THE SHARED AREA.

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

24 (F) THE SECONDARY MARKET AREA OF A RACETRACK, FOR PURPOSES
25 OF THIS ACT, IS DEFINED AS THAT LAND AREA INCLUDED IN A CIRCLE
26 DRAWN WITH THE RACETRACK AS THE CENTER AND A RADIUS OF 50 AIR
27 MILES, BUT NOT INCLUDING THE PRIMARY MARKET AREA OF THE
28 RACETRACK.

29 (G) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS ACT TO THE
30 CONTRARY, UPON APPROVAL BY THE APPROPRIATE COMMISSION, A

1 LICENSED CORPORATION MAY ESTABLISH ONE OR MORE NONPRIMARY
2 LOCATIONS AT WHICH IT SHALL CONDUCT PARI-MUTUEL WAGERING ON ALL
3 HORSE RACES CONDUCTED BY SUCH LICENSED CORPORATION AND MAY
4 CONDUCT PARI-MUTUEL WAGERING ON HORSE RACES CONDUCTED BY ANOTHER
5 LICENSED CORPORATION, WHICH HORSE RACES MAY BE TELEVISED TO THE
6 LOCATIONS, OR ON HORSE RACES SIMULCAST TO THE LOCATIONS PURSUANT
7 TO SECTION 216, PROVIDED THAT:

8 (1) NO LICENSED CORPORATION MAY ESTABLISH NONPRIMARY
9 LOCATIONS WITHIN THE PRIMARY MARKET AREA, AS SET FORTH IN
10 SUBSECTION (E), OF ANY RACETRACK OTHER THAN A RACETRACK AT
11 WHICH THE LICENSED CORPORATION CONDUCTS RACE MEETINGS.
12 ESTABLISHMENT OF A NONPRIMARY LOCATION BY A LICENSED
13 CORPORATION WITHIN THE PRIMARY MARKET AREA OF A RACETRACK AT
14 WHICH THE LICENSED CORPORATION CONDUCTS RACE MEETINGS SHALL
15 REQUIRE APPROVAL OF THE COMMISSION REGULATING THE ACTIVITIES
16 OF SUCH LICENSED CORPORATION.

17 (2) ANY LICENSED CORPORATION MAY ESTABLISH A NONPRIMARY
18 LOCATION WITHIN THE SECONDARY MARKET AREA OF A RACETRACK AS
19 SET FORTH IN SUBSECTION (F), PROVIDED THAT THE NONPRIMARY
20 LOCATION IS APPROVED BY BOTH THE STATE HARNESS RACING
21 COMMISSION AND THE STATE HORSE RACING COMMISSION.

22 (3) ANY LICENSED CORPORATION MAY ESTABLISH A NONPRIMARY
23 LOCATION IN AREAS OUTSIDE THE PRIMARY AND SECONDARY MARKET
24 AREAS OF ANY RACETRACK, PROVIDED THAT THE LOCATION IS
25 APPROVED BY THE COMMISSION WHICH REGULATES THE ACTIVITIES OF
26 THE LICENSED CORPORATION ESTABLISHING THE LOCATION.

27 (4) WHERE A SITE IS APPROVED BY THE COMMISSION AS A
28 NONPRIMARY LOCATION ESTABLISHED BY MORE THAN ONE LICENSED
29 CORPORATION, BY AGREEMENT BETWEEN THE LICENSED CORPORATIONS
30 AND WITH THE APPROVAL OF THE APPROPRIATE COMMISSION, ONE

1 LICENSED CORPORATION MAY OPERATE THE PARI-MUTUEL EQUIPMENT
2 FOR ONE OR MORE OF THE LICENSED CORPORATIONS AT THAT
3 LOCATION, BUT THE LOCATION MAY STILL BE CONSIDERED A PART OF
4 THE RACETRACK ENCLOSURE OF EACH OF THE LICENSED CORPORATIONS
5 APPROVED TO CONDUCT PARI-MUTUEL WAGERING AT THAT LOCATION.

6 (5) (I) ANY LICENSED CORPORATION, PLANNING TO ESTABLISH
7 A NONPRIMARY LOCATION, SHALL SUBMIT TO THE APPROPRIATE
8 COMMISSION A NONPRIMARY LOCATION STATEMENT IN A FORM
9 PRESCRIBED BY THE APPROPRIATE COMMISSION WHICH SPECIFIES,
10 BUT IS NOT LIMITED TO, THE FOLLOWING:

11 (A) THE NUMBER OF PERMANENT AND PART-TIME JOBS
12 TO BE CREATED AT THE PROPOSED FACILITY.

13 (B) THE POPULATION OF THE TOWN OR MUNICIPALITY,
14 AND SURROUNDING AREA, WHERE THE PROPOSED FACILITY IS
15 TO BE LOCATED.

16 (C) THE PROXIMITY OF THE PROPOSED FACILITY TO
17 ANY OTHER NONPRIMARY LOCATION OR LICENSED RACETRACK.

18 (D) THE TYPE OF SEATING TO BE PROVIDED,
19 INCLUDING AREAS IN THE PROPOSED FACILITY WHERE
20 PATRONS CAN HANDICAP RACES.

21 (E) THE TOTAL SEATING CAPACITY OF THE PROPOSED
22 FACILITY.

23 (F) THE SIZE AND NUMBER OF TOILET FACILITIES.

24 (G) THE AVAILABILITY OF FOOD AND BEVERAGES,
25 INCLUDING THE NUMBER OF TABLES, CHAIRS, KITCHEN
26 FACILITIES AND CONCESSION STANDS.

27 (H) THE NUMBER OF AVAILABLE PARKING SPACES.

28 (I) A DESCRIPTION OF THE GENERAL Demeanor OF THE
29 FACILITY, INCLUDING LIGHTING, DECOR AND PLANS FOR THE
30 EXTERIOR OF THE FACILITY.

1 (J) THE NUMBER OF BETTING WINDOWS AND STAND-
2 ALONE TERMINALS TO BE PROVIDED.

3 (K) A DESCRIPTION OF THE HEATING AND AIR
4 CONDITIONING UNITS, THE SMOKE REMOVAL EQUIPMENT AND
5 OTHER CLIMATE CONTROL DEVICES.

6 (L) THE TOTAL SQUARE FEET OF THE PROPOSED
7 FACILITY.

8 (II) THE GENERAL ASSEMBLY RECOGNIZES THE ECONOMIC
9 IMPORTANCE OF THE HORSE RACING INDUSTRY IN THIS
10 COMMONWEALTH; AND FURTHER RECOGNIZES THAT THE
11 PENNSYLVANIA HORSE RACING INDUSTRY IS IN A STATE OF
12 DECLINE. THEREFORE, IT IS THE INTENT OF THE GENERAL
13 ASSEMBLY THROUGH THIS AMENDATORY ACT TO REVITALIZE AND
14 SECURE THE ECONOMIC FUTURE OF THE HORSE RACING INDUSTRY
15 AND TO ENCOURAGE STATEWIDE ECONOMIC DEVELOPMENT BY
16 ASSISTING IN THE DEVELOPMENT OF NONPRIMARY LOCATIONS. IT
17 IS THE FURTHER INTENT OF THE GENERAL ASSEMBLY THROUGH
18 THIS AMENDATORY ACT THAT IN NO CASE SHALL THE APPROPRIATE
19 COMMISSION APPROVE A NONPRIMARY LOCATION STATEMENT WHEN
20 THE SOLE PURPOSE OF THAT STATEMENT IS TO PROVIDE WAGERING
21 OPPORTUNITIES PURSUANT TO THIS ACT; RATHER, THE
22 APPROPRIATE COMMISSION SHALL ONLY APPROVE A NONPRIMARY
23 LOCATION STATEMENT THAT PLANS FOR A PUBLIC FACILITY
24 OFFERING NOT ONLY WAGERING OPPORTUNITIES, BUT OTHER
25 AMENITIES, SUCH AS HIGH CLASS RESTAURANTS AND QUALITY
26 HANDICAPPING FACILITIES, SO THAT ALL OR PART OF THE
27 NONPRIMARY FACILITY WILL RESEMBLE THE CLUBHOUSE
28 FACILITIES OF A RACETRACK. IT IS THE FURTHER INTENT OF
29 THE GENERAL ASSEMBLY THROUGH THIS AMENDATORY ACT TO OFFER
30 THE POTENTIAL FOR THE CREATION OF JOBS, NOT ONLY IN THE

1 RACING AND WAGERING INDUSTRY, BUT MORE PARTICULARLY IN
2 OTHER SERVICE JOBS, SUCH AS PARKING ATTENDANTS, WAITERS
3 AND WAITRESSES, SECURITY GUARDS, CUSTODIAL WORKERS AND
4 FOOD SERVICE PERSONNEL.

5 (III) IN DETERMINING WHETHER THE NONPRIMARY LOCATION
6 STATEMENT MEETS THE LEGISLATIVE INTENT OF THIS AMENDATORY
7 ACT, THE APPROPRIATE COMMISSION SHALL CONSIDER FACTORS
8 WHICH INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

9 (A) THE PURPOSES AND PROVISIONS OF THIS
10 AMENDATORY ACT.

11 (B) THE PUBLIC INTEREST.

12 (C) THE INTEGRITY OF LIVE RACING.

13 (D) THE IMPACT ON THE LOCAL COMMUNITY.

14 (E) THE POTENTIAL FOR JOB CREATION.

15 (F) THE QUALITY OF THE PHYSICAL FACILITIES AND
16 ALL SERVICES TO BE PROVIDED THEREIN.

17 (IV) IN CONSIDERING WHETHER THE APPROPRIATE
18 COMMISSION WILL GRANT, SUSPEND OR REVOKE APPROVAL OF
19 NONPRIMARY LOCATIONS, THE PROVISIONS OF SECTION 209(F)(2)
20 SHALL APPLY. IN CONNECTION THEREWITH, THE COMMISSION
21 SHALL ANNUALLY CONDUCT INSPECTIONS OF THE PRIMARY
22 FACILITY.

23 (V) THE RIGHTS, DUTIES AND OBLIGATIONS OF THE
24 APPROPRIATE COMMISSION, AS SET FORTH IN THIS AMENDATORY
25 ACT, SHALL APPLY TO NONPRIMARY LOCATIONS AND ANY
26 EMPLOYEES OR VENDORS OF THE LICENSED CORPORATION
27 ESTABLISHING THE NONPRIMARY LOCATION.

28 (6) (I) IN ADDITION TO THE REQUIREMENTS OF PARAGRAPH
29 (10), ANY LICENSED CORPORATION WHICH IS AUTHORIZED TO
30 CONDUCT RACING AT ANY PRIMARY RACETRACK LOCATION AT WHICH

1 THERE HAS NOT BEEN, IN THE PREVIOUS CALENDAR YEAR, A
 2 MINIMUM OF 142 DAYS OF LIVE RACING SHALL NOT BE ELIGIBLE
 3 TO ESTABLISH NONPRIMARY LOCATIONS OUTSIDE ITS PRIMARY
 4 MARKET AREA AND SHALL ONLY BE ELIGIBLE TO ESTABLISH
 5 NONPRIMARY LOCATIONS WITHIN ITS PRIMARY MARKET AREA
 6 ACCORDING TO THE FOLLOWING SCHEDULE.

7	YEAR	NUMBER OF	NUMBER OF DAYS	NUMBER OF	NUMBER OF DAYS
8		LIVE RACING	IN SUBSEQUENT	LIVE RACING	IN SUBSEQUENT
9		DAYS	YEAR PERMITTED	DAYS	YEAR PERMITTED
10		CONDUCTED	TO OPERATE	CONDUCTED	TO OPERATE
11			NONPRIMARY		NONPRIMARY
12			LOCATIONS WITHIN		LOCATIONS
13			PRIMARY MARKET		WITHIN PRIMARY
14			AREA		MARKET AREA
15	1988	50	365		
16	1989	69	365	UNDER 69	307
17	1990	88	365	UNDER 88	259
18	1991	107	365	UNDER 107	191
19	1992	126	365	UNDER 126	133
20	1993	142	365	UNDER 142	75

21 (II) NOTWITHSTANDING THE CHART CONTAINED IN
 22 SUBPARAGRAPH (I), IF ANY SUCH LICENSED CORPORATION
 23 SCHEDULES 69 OR MORE RACING DAYS IN CALENDAR YEAR 1989,
 24 IT MAY, UPON APPROVAL OF THE APPROPRIATE COMMISSION,
 25 ESTABLISH NONPRIMARY LOCATIONS WITHIN ITS PRIMARY MARKET
 26 AREA FOR THAT CALENDAR YEAR.

27 (7) (I) THE LICENSED CORPORATION AUTHORIZED TO HOLD
 28 RACE MEETINGS AT A PRIMARY RACETRACK LOCATION AT WHICH
 29 MORE THAN ONE LICENSE IS SO AUTHORIZED MAY BE GRANTED UP
 30 TO TWO NONPRIMARY LOCATIONS BY THE APPROPRIATE

1 COMMISSION, UP TO A MAXIMUM OF FOUR PER PRIMARY RACETRACK
2 LOCATION. THE LICENSED CORPORATION AUTHORIZED TO HOLD
3 RACE MEETINGS AT A PRIMARY RACETRACK LOCATION AT WHICH
4 THERE IS ONLY ONE SUCH LICENSED CORPORATION SO AUTHORIZED
5 MAY BE GRANTED UP TO THREE NONPRIMARY LOCATIONS.

6 (II) IN ADDITION TO THE NONPRIMARY LOCATIONS
7 AUTHORIZED BY SUBPARAGRAPH (I), DURING EACH OF THE
8 CALENDAR YEARS 1989 AND 1990, THE APPROPRIATE COMMISSION
9 MAY APPROVE NO MORE THAN ONE ADDITIONAL NONPRIMARY
10 LOCATION PER PRIMARY RACETRACK LOCATION, FOR ONE LICENSED
11 CORPORATION AUTHORIZED TO CONDUCT RACING AT THE PRIMARY
12 RACETRACK LOCATION.

13 (III) THE GENERAL ASSEMBLY MAY, AT ANY TIME, STOP
14 THE FURTHER APPROVAL OF ANY NONPRIMARY LOCATIONS. THE
15 STATE HARNESS RACING COMMISSION AND THE STATE HORSE
16 RACING COMMISSION SHALL NOT HAVE THE AUTHORITY TO APPROVE
17 ANY GREATER NUMBER OF NONPRIMARY LOCATIONS AFTER DECEMBER
18 31, 1990, UNLESS FURTHER AUTHORIZED BY THE GENERAL
19 ASSEMBLY.

20 (IV) IT SHALL BE THE DUTY OF BOTH THE STATE HARNESS
21 RACING COMMISSION AND THE STATE HORSE RACING COMMISSION
22 TO ANNUALLY REPORT TO THE GENERAL ASSEMBLY ON THE EFFECT
23 OF NONPRIMARY LOCATIONS ON SUCH FACTORS AS THE LOCAL
24 ECONOMY, THE PUBLIC INTEREST AND THE INTEGRITY OF LIVE
25 RACING, AND MAKE SUGGESTIONS AND RECOMMENDATIONS.

26 (8) (I) MONEYS WAGERED AT ALL PRIMARY AND NONPRIMARY
27 LOCATIONS PURSUANT TO THIS ACT SHALL BE INCLUDED IN
28 COMMON PARI-MUTUEL POOLS. ALL MONEY WAGERED BY PATRONS ON
29 THESE RACES SHALL BE COMPUTED IN THE AMOUNT OF MONEY
30 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER

1 SECTION 222. THE LICENSED CORPORATION CONDUCTING THE RACE
2 MEETING AND MAINTAINING THE PARI-MUTUEL POOLS SHALL
3 MAINTAIN ACCURATE RECORDS OF THE AMOUNT WAGERED IN EACH
4 POOL FROM EVERY PRIMARY AND NONPRIMARY LOCATION.

5 (II) THE RETAINED MONEYS AS PROVIDED FOR IN SECTION
6 222(E) SHALL BE CALCULATED FOR EACH LOCATION WHERE PARI-
7 MUTUEL WAGERING IS BEING CONDUCTED. IF WAGERING HAS TAKEN
8 PLACE AT A NONPRIMARY LOCATION WHERE THE WAGERING IS
9 CONDUCTED BY A LICENSED CORPORATION OTHER THAN THE
10 LICENSED CORPORATION CONDUCTING THE RACE MEETING, THE
11 LICENSED CORPORATION CONDUCTING THE RACE MEETING SHALL
12 RETAIN ANY MONEYS TO WHICH IT IS ENTITLED BY AGREEMENT
13 BETWEEN SUCH LICENSED CORPORATIONS AND SHALL PAY OVER THE
14 BALANCE OF THE RETAINED MONEYS TO THE LICENSED
15 CORPORATION CONDUCTING THE WAGERING AT THE NONPRIMARY
16 LOCATION.

17 (9) (I) A LICENSED CORPORATION CONDUCTING A RACE
18 MEETING ON WHICH PARI-MUTUEL WAGERING IS CONDUCTED AT ONE
19 OR MORE NONPRIMARY LOCATIONS SHALL DISTRIBUTE TO THE
20 HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS
21 AND TRAINERS AT ITS RACETRACK, OR IN ACCORDANCE WITH THE
22 PRACTICE OF THE PARTIES, TO BE USED FOR PAYMENT OF PURSES
23 AT THAT RACETRACK, AN AMOUNT EQUAL TO NOT LESS THAN 6% OF
24 THE DAILY GROSS WAGERING HANDLE ON SUCH RACES AT A
25 NONPRIMARY LOCATION: PROVIDED, HOWEVER, THAT WHEN THE
26 GROSS WAGERING HANDLE ON SUCH RACES AT ANY SUCH
27 NONPRIMARY LOCATION ON A GIVEN DAY IS LESS THAN \$30,000,
28 THE ABOVE-REFERENCED PERCENTAGE SHALL BE NOT LESS THAN
29 3%, AND WHEN THE GROSS WAGERING HANDLE ON SUCH RACES AT
30 ANY SUCH NONPRIMARY LOCATION ON A GIVEN DAY IS BETWEEN

1 \$30,000 AND \$75,000 INCLUSIVE, THE ABOVE-REFERENCED
2 PERCENTAGE SHALL BE NOT LESS THAN 4.75%: AND PROVIDED
3 FURTHER, THAT WHENEVER A NONPRIMARY LOCATION IS WITHIN
4 THE PRIMARY MARKET AREA OF A LICENSED CORPORATION OTHER
5 THAN THE LICENSED CORPORATION CONDUCTING SUCH RACES, THE
6 APPLICABLE PERCENTAGE SHALL BE DISTRIBUTED ONE-HALF TO
7 THE HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF
8 OWNERS AND TRAINERS AT THE RACETRACK, OR IN ACCORDANCE
9 WITH THE PRACTICE OF THE PARTIES, WHERE THE RACE MEETING
10 IS BEING CONDUCTED TO BE USED FOR THE PAYMENT OF PURSES
11 AT THAT RACETRACK AND ONE-HALF TO SUCH HORSEMAN'S
12 ORGANIZATION, OR IN ACCORDANCE WITH THE PRACTICE OF THE
13 PARTIES, AT THE RACETRACK WITHIN THE PRIMARY MARKET AREA
14 TO BE USED FOR THE PAYMENT OF PURSES AT THAT RACETRACK.
15 NOTHING IN THIS SUBPARAGRAPH SHALL PREVENT A LICENSED
16 CORPORATION FROM AGREEING TO DISTRIBUTE AMOUNTS GREATER
17 THAN THE PERCENTAGES SET FORTH IN THIS SUBPARAGRAPH.
18 HOWEVER, IF NO ALTERNATIVE AGREEMENT HAS BEEN REACHED,
19 THE TOTAL PERCENTAGE PAID FOR PURSES UNDER THIS
20 SUBPARAGRAPH SHALL BE IN ACCORDANCE WITH THE MINIMUM
21 PERCENTAGES SET FORTH IN THIS SUBPARAGRAPH.

22 (II) NOTWITHSTANDING SUBPARAGRAPH (I), OR ANY OTHER
23 PROVISION IN THIS ACT TO THE CONTRARY, A NONPRIMARY
24 LOCATION MAY BE ESTABLISHED WITHIN THE PRIMARY MARKET
25 AREA OF A RACETRACK BY AGREEMENT BETWEEN THE LICENSED
26 CORPORATION AND THE HORSEMAN'S ORGANIZATION REPRESENTING
27 A MAJORITY OF THE OWNERS AND TRAINERS AT THAT RACETRACK
28 SPECIFYING THE TOTAL PERCENTAGE OF HANDLE WAGERED AT SUCH
29 NONPRIMARY LOCATION TO BE DISTRIBUTED TO THAT HORSEMAN'S
30 ORGANIZATION, OR IN ACCORDANCE WITH THE PRACTICE OF THE

1 PARTIES, TO BE USED FOR THE PAYMENT OF PURSES AT THAT
2 RACETRACK. IF NO SUCH AGREEMENT IS REACHED COVERING SUCH
3 LOCATIONS, THE TOTAL PERCENTAGE TO BE PAID FOR PURSES
4 PURSUANT TO THIS SUBPARAGRAPH SHALL BE THE SAME AS THAT
5 APPLIED TO ON-TRACK WAGERING AT THE RACETRACK LOCATED
6 WITHIN THE PRIMARY MARKET AREA.

7 (10) THE PROVISIONS OF SECTION 234 RELATING TO THE
8 REQUIRED NUMBER OF RACING DAYS APPLY TO THIS SUBSECTION.

9 HOWEVER, A HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF
10 OWNERS AND TRAINERS AT A RACETRACK MAY CONSENT TO WAIVING OR
11 MODIFYING THE PROVISIONS AS PERTAINING TO THE REQUIRED NUMBER
12 OF RACING DAYS SCHEDULED BY A LICENSED CORPORATION AT THAT
13 RACETRACK.

14 SECTION 219. BOOKS AND RECORDS OF PARI-MUTUEL WAGERING.

15 EVERY CORPORATION THAT CONDUCTS A HORSE RACE MEETING AT WHICH
16 PARI-MUTUEL WAGERING IS AUTHORIZED, SHALL KEEP BOOKS AND RECORDS
17 SO AS TO CLEARLY SHOW BY SEPARATE RECORD THE TOTAL AMOUNT OF
18 MONEY CONTRIBUTED TO EVERY PARI-MUTUEL POOL. THE DEPARTMENT OF
19 REVENUE OR ITS AUTHORIZED REPRESENTATIVE SHALL HAVE ACCESS TO
20 ALL BOOKS AND RECORDS FOR THE PURPOSE OF EXAMINING THE SAME AND
21 ASCERTAINING WHETHER THE PROPER AMOUNT DUE TO THE STATE IS BEING
22 PAID BY THE LICENSED CORPORATION.

23 SECTION 220. FILING OF CERTAIN AGREEMENTS WITH THE COMMISSIONS.

24 EVERY CORPORATION LICENSED TO CONDUCT HORSE RACE MEETINGS AT
25 WHICH PARI-MUTUEL WAGERING IS PERMITTED SHALL PROMPTLY AFTER
26 ENTERING ANY LEASE AGREEMENT CONCERNING ANY CONCESSION, LABOR
27 MANAGEMENT RELATION, HIRING OF DESIGNATED CLASSES OF OFFICERS,
28 EMPLOYEES OR CONTRACTORS SPECIFIED BY THE COMMISSIONS OR ANY
29 SUCH OTHER CONTRACT OR AGREEMENT AS THE COMMISSIONS MAY
30 PRESCRIBE, FILE WITH THE APPROPRIATE COMMISSION A TRUE AND

1 CORRECT COPY, OR AN ACCURATE SUMMARY, IF ORAL.

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

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

6 (1) ALL TICKETS SHALL BE PRESENTED FOR PAYMENT BEFORE
7 THE FIRST DAY OF APRIL OF THE YEAR FOLLOWING THE YEAR OF
8 THEIR PURCHASE; AND

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

12 (3) NINETEEN PERCENT OF THE MONEYS PLUS THE BREAKAGE
13 FROM REGULAR WAGERING POOLS FROM LICENSED CORPORATIONS WHOSE
14 TOTAL DEPOSITS IN ALL PARI-MUTUEL POOLS AVERAGED LESS THAN
15 \$300,000 PER RACING DAY FOR THEIR PREVIOUS MEETING AT THE
16 SAME FACILITY; OR

17 (4) TWENTY PERCENT OF THE MONEYS PLUS THE BREAKAGE FROM
18 THE EXACTA, DAILY DOUBLE, QUINELLA AND OTHER WAGERING POOLS
19 INVOLVING TWO HORSES EACH RACING DAY SHALL BE RETAINED BY THE
20 LICENSED CORPORATIONS FOR FURTHER DISTRIBUTION UNDER SECTION
21 222; OR

22 (5) AT LEAST 26% BUT NO MORE THAN 35% OF THE MONEYS PLUS
23 THE BREAKAGE FROM THE TRIFECTA OR OTHER WAGERING POOLS
24 INVOLVING MORE THAN TWO HORSES IN ONE OR MORE RACES EACH
25 RACING DAY SHALL BE RETAINED BY THE LICENSED CORPORATIONS FOR
26 FURTHER DISTRIBUTION UNDER SECTION 222; AND

27 (6) EXCEPT AS PROVIDED FOR IN SUBSECTION (D.1) OF
28 SECTION 222, EVERY CORPORATION MAY RETAIN LESS THAN 17%, 19%
29 OR 20% OF THE MONEYS IN THE WAGERING POOLS UNDER PARAGRAPHS
30 (2), (3) AND (4) OR LESS THAN 26% OF THE MONEYS IN THE

1 WAGERING POOLS UNDER PARAGRAPH (5) UPON APPROVAL FROM THE
2 APPROPRIATE COMMISSION; AND

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

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

10 (B) BREAKAGE SHALL MEAN THE ODD CENTS OF REDISTRIBUTIONS TO
11 BE MADE ON ALL CONTRIBUTIONS TO PARI-MUTUEL POOLS EXCEEDING A
12 SUM EQUAL TO THE NEXT LOWEST MULTIPLE OF TEN.

13 (C) THE COMMISSIONS SHALL ESTABLISH BY RULE OR REGULATION
14 PROVISIONS FOR MINUS-POOLS RELATING TO THE RETENTION
15 REQUIREMENTS UNDER THIS SECTION.
16 SECTION 222. DISTRIBUTION OF MONEYS RETAINED FROM PARI-MUTUEL
17 POOLS; TAXATION.

18 (A) THERE IS HEREBY CREATED THE STATE RACING FUND. ALL
19 LICENSED CORPORATIONS THAT CONDUCT HARNESS RACE MEETINGS SHALL
20 PAY A TAX THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE
21 STATE RACING FUND. ALL LICENSED CORPORATIONS THAT CONDUCT
22 THOROUGHBRED HORSE RACE MEETINGS SHALL PAY A TAX THROUGH THE
23 DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE RACING FUND. THE
24 TAX IMPOSED ON ALL LICENSED CORPORATIONS SHALL BE A PERCENTAGE
25 TAX ON THE AMOUNT WAGERED EACH RACING DAY AND BE PAID FROM THE
26 MONEYS RETAINED UNDER SECTION 221.

27 (A.1) AT THE CLOSE OF EACH DAY OF RACING, ALL CORPORATIONS
28 LICENSED TO CONDUCT HARNESS HORSE RACE MEETINGS OR THOROUGHBRED
29 HORSE RACE MEETINGS WHICH ANNUALLY CONDUCT AT LEAST 100 DAYS OF
30 RACING, OR WHEN TWO LICENSED CORPORATIONS CONDUCT THEIR RACE

1 MEETINGS AT THE SAME FACILITY AND BETWEEN THEM ANNUALLY CONDUCT
2 AT LEAST 175 DAYS OF RACING, WILL PAY OUT OF THE MONEYS RETAINED
3 ON THAT DAY UNDER SECTION 221, THROUGH THE DEPARTMENT OF REVENUE
4 FOR CREDIT TO THE STATE HORSE RACING FUND THE FOLLOWING TAXES
5 FOR THE TIME PERIODS STATED:

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

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

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

10 (A.2) CORPORATIONS NOT ANNUALLY CONDUCTING AT LEAST 100 DAYS
11 OF RACING, OR 175 DAYS OF RACING IN CONJUNCTION WITH ANOTHER
12 LICENSEE AT THE SAME FACILITY AS DESCRIBED ABOVE, WILL PAY 2.5%
13 FROM JULY 1, 1984 TO JUNE 30, 1986, AND 2.0% THEREAFTER. THIS
14 SUBSECTION SHALL NOT APPLY IF RACES ARE NOT CONDUCTED BECAUSE OF
15 AN ACT OF GOD OR BECAUSE OF A STRIKE RESULTING FROM A LABOR
16 DISPUTE.

17 (A.3) FOR PURPOSES OF THIS SECTION, A RACING DAY SHALL BE
18 CONSIDERED CONDUCTED AFTER THE APPROPRIATE COMMISSION HAS
19 CERTIFIED THE ALLOCATION OF RACING DAYS TO THE SECRETARY OF THE
20 DEPARTMENT OF REVENUE UNDER THE PROVISIONS OF SECTION 207(B)
21 EVEN IF THE RACING DAY IS SUBSEQUENTLY CANCELLED BY THE LICENSED
22 CORPORATION FOR REASONS BEYOND ITS CONTROL.

23 (A.4) ANY CORPORATION WHICH DOES NOT HOLD A LICENSE UNDER
24 SECTION 209 ON THE EFFECTIVE DATE OF THIS ACT AND WHICH IS
25 GRANTED A LICENSE UNDER THIS ACT SHALL BE SUBJECT TO PAYMENT OUT
26 OF MONEYS RETAINED UNDER SECTION 221, THROUGH THE DEPARTMENT OF
27 REVENUE FOR CREDIT TO THE STATE HORSE RACING FUND, OF THE
28 FOLLOWING TAX FOR A PERIOD OF FOUR YEARS FROM THE ISSUANCE DATE
29 OF THE LICENSE - 1.0%, AT WHICH TIME SAID LICENSEE SHALL BE
30 SUBJECT TO THE LAWFUL RATE THEN IN EFFECT UNDER SUBSECTION (A.1)

1 (3).

2 (A.5) IN ORDER TO QUALIFY FOR THE 1.0% TAX RATE AUTHORIZED
3 UNDER SUBSECTION (A.4), THE NEWLY LICENSED CORPORATION MAY NOT
4 INCLUDE ANY OFFICER, DIRECTOR OR THE IMMEDIATE RELATIVE (SPOUSE,
5 CHILDREN OR PARENTS) OF ANY OFFICER OR DIRECTOR OF ANY LICENSED
6 RACING CORPORATION WHICH CONDUCTED, AT ANY TIME WITHIN THE
7 IMMEDIATELY PRECEDING FIVE YEARS, ANY HORSE OR HARNESS RACE
8 MEETINGS AT THE RACETRACK ENCLOSURE FOR WHICH THE LICENSE IS
9 SOUGHT. ALSO, THE NEWLY LICENSED CORPORATION MAY NOT INCLUDE ANY
10 SHAREHOLDER (OR THEIR IMMEDIATE RELATIVE) HOLDING A 5% OR
11 GREATER INTEREST WHO ALSO HELD A 5% OR GREATER INTEREST IN ANY
12 CORPORATION LICENSED AT ANY TIME WITHIN THE IMMEDIATELY
13 PRECEDING FIVE YEARS TO CONDUCT HORSE OR HARNESS RACE MEETINGS
14 AT THE RACETRACK ENCLOSURE FOR WHICH THE LICENSE IS SOUGHT.

15 (B) THE COMMISSIONS SHALL DISTRIBUTE MONEYS FROM THE STATE
16 RACING FUND, TOGETHER WITH THE INTEREST EARNED THEREON, IN THE
17 FOLLOWING MANNER:

18 (1) THE SALARIES OF EMPLOYEES OF THE COMMISSION EMPLOYED
19 BY OR FOR IT UNDER THE PROVISIONS OF THIS ACT AND THE ACT OF
20 APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS "THE ADMINISTRATIVE
21 CODE OF 1929," NET OF ANY INCOME EARNED OR RECEIVED BY THE
22 COMMISSION.

23 (2) THE PAYMENT OF THE COMPENSATION OF EMPLOYEES OF THE
24 DEPARTMENT OF REVENUE WHEN USED IN COLLECTING TAXES AND
25 PENALTIES IMPOSED BY THIS ACT.

26 (3) THE EXPENSES OF THE SECRETARY AND THE DEPARTMENT OF
27 AGRICULTURE INCURRED IN ADMINISTERING THEIR DUTIES UNDER THIS
28 ACT.

29 (4) TO PAY ALL OTHER EXPENSES INCURRED BY THE COMMISSION
30 IN ADMINISTERING THIS ACT, NET OF ANY INCOME EARNED OR

1 RECEIVED BY THE COMMISSION.

2 (5) FROM REMAINING MONEYS IN THE STATE RACING FUND:

3 (I) AN AMOUNT EQUIVALENT TO ONE PERCENT OF THE
4 AMOUNT WAGERED EACH RACING DAY AT THOROUGHBRED HORSE RACE
5 MEETINGS SHALL BE PAID BY THE HORSE RACING COMMISSION
6 FROM THE STATE RACING FUND THROUGH THE DEPARTMENT OF
7 REVENUE FOR CREDIT TO THE PENNSYLVANIA BREEDING FUND.

8 (II) AN AMOUNT EQUIVALENT TO ONE AND ONE-HALF
9 PERCENT OF THE AMOUNT WAGERED EACH RACING DAY AT HARNESS
10 HORSE RACE MEETINGS SHALL BE PAID BY THE HARNESS RACING
11 COMMISSION FROM THE STATE RACING FUND THROUGH THE
12 DEPARTMENT OF REVENUE FOR CREDIT TO THE PENNSYLVANIA SIRE
13 STAKES FUND, BEGINNING ON JULY 1, 1983.

14 (6) ALL REMAINING MONEYS IN THE STATE RACING FUND SHALL
15 BE PAID INTO THE GENERAL FUND.

16 (C) ALL BREAKAGE RETAINED UNDER SECTION 221 BY LICENSED
17 CORPORATIONS THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS SHALL
18 BE DISTRIBUTED IN THE FOLLOWING MANNER:

19 (1) FIFTY PERCENT OF THE BREAKAGE SHALL BE RETAINED BY
20 THE LICENSED CORPORATIONS.

21 (2) TWENTY-FIVE PERCENT OF THE BREAKAGE SHALL BE
22 RETAINED BY THE LICENSED CORPORATIONS TO BE USED SOLELY FOR
23 PURSES TO THE HORSEMEN.

24 (3) TWENTY-FIVE PERCENT OF THE BREAKAGE SHALL BE PAID TO
25 THE DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE HORSE
26 RACING FUND.

27 (D) ALL BREAKAGE RETAINED UNDER SECTION 221 BY LICENSED
28 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS SHALL BE
29 DISTRIBUTED IN THE FOLLOWING MANNER:

30 (1) FIFTY PERCENT OF THE BREAKAGE SHALL BE RETAINED BY

1 THE LICENSED CORPORATIONS.

2 (2) THE REMAINING 50% OF THE BREAKAGE SHALL BE RETAINED
3 BY THE LICENSED CORPORATIONS OF WHICH ONE-HALF OF THIS
4 BREAKAGE SHALL BE USED SOLELY BY THE LICENSED CORPORATIONS
5 FOR CLAIMING AND NONCLAIMING RACES WHERE ENTRY IS RESTRICTED
6 TO PENNSYLVANIA-SIRED HORSES IN THE FOLLOWING MANNER:

7 (I) ON JANUARY 1, 1982, AND THEREAFTER AT LEAST FIVE
8 OF THE HORSES PROGRAMMED TO START SHALL BE PENNSYLVANIA-
9 SIRED HORSES. IF AT LEAST FIVE OF THE HORSES PROGRAMMED
10 TO START ARE NOT PENNSYLVANIA-SIRED HORSES, THEN THE
11 LICENSED CORPORATION CONDUCTING THE MEET SHALL CANCEL THE
12 RACE.

13 (II) ON JANUARY 1, 1983, AND THEREAFTER AT LEAST
14 SEVEN OF THE HORSES PROGRAMMED TO START SHALL BE
15 PENNSYLVANIA-SIRED HORSES. IF AT LEAST SEVEN OF THE
16 HORSES PROGRAMMED TO START ARE NOT PENNSYLVANIA-SIRED
17 HORSES, THEN THE LICENSED CORPORATION CONDUCTING THE MEET
18 SHALL CANCEL THE RACE.

19 (III) ON JANUARY 1, 1984, AND THEREAFTER, ONLY
20 PENNSYLVANIA-SIRED HORSES SHALL BE ALLOWED TO START IN
21 THESE RACES. IF ALL THE POSITIONS ARE NOT FILLED BY
22 PENNSYLVANIA-SIRED HORSES IN THESE RACES, THEN THE
23 LICENSED CORPORATION CONDUCTING THE MEET SHALL CANCEL THE
24 RACE.

25 ALL BREAKAGE MONEYS DUE LICENSED CORPORATIONS FOR THE PURSES FOR
26 CLAIMING AND NONCLAIMING RACES UNDER THIS PARAGRAPH BUT NOT
27 EXPENDED AS A RESULT OF A RACE CANCELLATION SHALL BE CARRIED
28 FORWARD TO THE NEXT SUCCEEDING MEET BY THE LICENSED CORPORATIONS
29 TO BE USED FOR CLAIMING AND NONCLAIMING RACES WHICH RESTRICT
30 ENTRY TO PENNSYLVANIA-SIRED HORSES UNDER THE PROVISIONS OF THIS

1 PARAGRAPH.

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

7 (E) ALL REMAINING MONEYS RETAINED UNDER SECTION 221 AND NOT
8 HERETOFORE DISTRIBUTED SHALL BE KEPT BY THE LICENSED
9 CORPORATIONS FOR THEIR USE.

10 SECTION 223. PENNSYLVANIA BREEDING FUND.

11 (A) THERE IS HEREBY CREATED A RESTRICTED ACCOUNT IN THE
12 STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA BREEDING FUND
13 WHICH SHALL CONSIST OF THE MONEY APPROPRIATED UNDER THE
14 PROVISIONS OF SECTION 222 AND WHICH SHALL BE ADMINISTERED BY THE
15 STATE HORSE RACING COMMISSION.

16 (B) AFTER THE DEDUCTION OF EXPENSES RELATED TO THE
17 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
18 PROGRAM INCURRED BY THE PENNSYLVANIA HORSE BREEDERS'
19 ASSOCIATION, THE STATE HORSE RACING COMMISSION SHALL, BY RULE OR
20 REGULATION, PROVIDE FOR AWARDS AS FOLLOWS:

21 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
22 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE Sired BY A
23 REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION OF THE
24 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE, OR AN AWARD
25 OF 20% OF THE PURSE EARNED BY EVERY REGISTERED PENNSYLVANIA-
26 BRED THOROUGHBRED HORSE Sired BY A NONREGISTERED SIRE, WHICH
27 FINISHES FIRST, SECOND OR THIRD IN ANY RACE CONDUCTED BY A
28 LICENSED CORPORATION UNDER THIS ACT SHALL BE PAID TO THE
29 BREEDER OF SAID REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
30 HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH MAY NOT EXCEED 1%

1 OF THE TOTAL ANNUAL FUND MONEY.

2 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
3 PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH FINISHES FIRST,
4 SECOND OR THIRD IN ANY RACE CONDUCTED BY A LICENSED
5 CORPORATION UNDER THIS ACT SHALL BE PAID TO THE OWNER OF THE
6 REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY STOOD IN
7 PENNSYLVANIA AT THE TIME OF CONCEPTION OF SAID PENNSYLVANIA-
8 BRED THOROUGHBRED HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH
9 MAY NOT EXCEED .5% OF THE TOTAL ANNUAL FUND MONEY.

10 (3) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
11 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH
12 FINISHES FIRST IN ANY RACE CONDUCTED BY A LICENSED
13 CORPORATION UNDER THIS ACT NOT RESTRICTING ENTRY TO
14 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES SHALL BE
15 PAID TO THE LICENSED OWNER OF SAID REGISTERED PENNSYLVANIA-
16 BRED THOROUGHBRED HORSE AT THE TIME OF WINNING. A SINGLE
17 AWARD UNDER THIS PARAGRAPH MAY NOT EXCEED .5% OF THE TOTAL
18 ANNUAL FUND MONEY.

19 (C) UP TO ONE-FIFTH OF THE TOTAL OF THE ESTIMATED FUND
20 MONEYS REMAINING EACH YEAR AFTER THE DEDUCTION OF EXPENSES
21 RELATED TO THE ADMINISTRATION AND DEVELOPMENT OF THE
22 PENNSYLVANIA BREEDING FUND PROGRAM AND THE PAYMENT OF BREEDER,
23 STALLION AND OWNER AWARDS, SHALL BE DIVIDED AMONG THE LICENSED
24 CORPORATIONS THAT CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN
25 DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED CORPORATION
26 GENERATED THE FUND MONEYS DURING THE PREVIOUS YEAR TO BE USED
27 SOLELY FOR PURSES FOR PENNSYLVANIA BREEDING FUND STAKES RACES
28 WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
29 THOROUGHBRED HORSES.

30 (D) THE FUND MONEYS REMAINING FOLLOWING DISBURSEMENTS AS

1 DIRECTED IN SUBSECTION (B) (1), (2) AND (3) AND SUBSECTION (C)
2 SHALL BE DIVIDED AMONG THE LICENSED CORPORATIONS THAT CONDUCT
3 THOROUGHBRED HORSE RACE MEETINGS IN DIRECT PROPORTION TO THE
4 RATE BY WHICH EACH LICENSED CORPORATION GENERATED THE FUND
5 MONEYS DURING THE PREVIOUS YEAR TO BE USED FOR PURSES AS
6 FOLLOWS:

7 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
8 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
9 THOROUGHBRED HORSES.

10 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
11 RACES WHICH PREFER REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
12 HORSES AS STARTERS. IN THESE RACES, SHOULD EIGHT OR MORE
13 REGISTERED PENNSYLVANIA-BRED HORSES PASS THE ENTRY BOX, THE
14 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
15 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES.

16 (E) THOSE PENNSYLVANIA BREEDING FUND MONEYS DUE LICENSED
17 CORPORATIONS AS OUTLINED IN SUBSECTIONS (C) AND (D) BUT NOT
18 EXPENDED DURING THE CALENDAR YEAR MAY BE CARRIED FORTH IN THE
19 FUND ON THE ACCOUNT OF SAID LICENSED CORPORATIONS TO BE EXPENDED
20 DURING THE SUCCEEDING YEAR IN ADDITION TO SAID CORPORATIONS'
21 FUND MONEYS ANNUALLY DUE THEM FOR PURSES.

22 (F) THE PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE, UNDER
23 THE JURISDICTION OF THE STATE HORSE RACING COMMISSION, IS HEREBY
24 ESTABLISHED AND SHALL BE PART OF THE PENNSYLVANIA STATE HORSE
25 RACING COMMISSION. THE COMMISSION SHALL CONSIST OF FIVE MEMBERS,
26 ALL OF WHOM SHALL BE RESIDENTS OF PENNSYLVANIA, TO BE APPOINTED
27 BY THE COMMISSION BY JUNE 1 OF EACH YEAR. THE COMMITTEE SHALL
28 CONSIST OF TWO MEMBERS OF THE PENNSYLVANIA HORSE BREEDERS'
29 ASSOCIATION, ONE MEMBER FROM THE LICENSED CORPORATIONS, ONE
30 MEMBER FROM THE ASSOCIATION REPRESENTING HORSEMEN RACING IN

1 PENNSYLVANIA AND ONE MEMBER OF THE COMMISSION. IF ANY MEMBER
2 OTHER THAN THE COMMISSION MEMBER HAS NOT BEEN RECOMMENDED BY
3 JUNE 1 OF EACH YEAR, THE COMMISSION SHALL MAKE AN APPOINTMENT
4 FOR THE ORGANIZATION FAILING TO SO RECOMMEND A MEMBER OF THE
5 COMMITTEE. THE COMMITTEE SHALL ASSIST AND ADVISE THE COMMISSION
6 UNDER THE PROVISIONS OF THIS ACT BUT SHALL HAVE NO POWER IN
7 ADMINISTERING THE FUND. THE MEMBERS OF THE COMMITTEE SHALL
8 RECEIVE NO COMPENSATION FOR THEIR SERVICES AS MEMBERS.

9 (G) THE STATE HORSE RACING COMMISSION MAY CONTRACT WITH THE
10 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION AS THE SOLE RESPONSIBLE
11 BODY FOR THE REGISTRATION AND RECORDS OF PENNSYLVANIA-BREDS. THE
12 PENNSYLVANIA HORSE BREEDERS' ASSOCIATION SHALL ADVISE THE
13 COMMISSION WHEN CALLED UPON AND SHALL DETERMINE THE
14 QUALIFICATIONS FOR PENNSYLVANIA-BRED THOROUGHBRED HORSES AND
15 PENNSYLVANIA SIRES. ITS REGISTRATION AND RECORD FACTS ARE HEREBY
16 DECLARED AS OFFICIAL PENNSYLVANIA RECORDS. AT THE CLOSE OF EACH
17 CALENDAR YEAR, THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION,
18 THROUGH THE PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE, SHALL
19 SUBMIT TO THE COMMISSION FOR ITS APPROVAL AN ITEMIZED BUDGET OF
20 PROJECTED EXPENSES FOR THE ENSUING YEAR RELATING TO THE
21 ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING FUND
22 PROGRAM. THE COMMISSION, ON NO MORE THAN A QUARTERLY BASIS,
23 SHALL REIMBURSE FROM THE FUND THE PENNSYLVANIA HORSE BREEDERS'
24 ASSOCIATION FOR THOSE EXPENSES ACTUALLY INCURRED IN THE
25 ADMINISTRATION AND DEVELOPMENT OF THE BREEDING FUND PROGRAM.
26 SECTION 224. PENNSYLVANIA SIRE STAKES FUND.

27 (A) THERE IS HEREBY CREATED A RESTRICTED ACCOUNT IN THE
28 STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA SIRE STAKES
29 FUND WHICH SHALL CONSIST OF THE MONEY APPROPRIATED UNDER THE
30 PROVISIONS OF SECTION 222 AND WHICH SHALL BE ADMINISTERED BY THE

1 STATE HARNESS RACING COMMISSION.

2 (B) SIXTY PERCENT OF THE MONEY REMAINING IN THE EXCESS FUND
3 ACCOUNT OF THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
4 CALENDAR YEAR IN WHICH THIS SUBSECTION IS ENACTED SHALL BE
5 DISTRIBUTED TO LICENSED CORPORATIONS THAT CONDUCT HARNESS HORSE
6 RACE MEETINGS TO BE USED IN THE NEXT SUCCEEDING CALENDAR YEAR AS
7 PURSE MONEY FOR PENNSYLVANIA-SIRED HORSES. THE REMAINING 40% OF
8 THE MONEY IN THE EXCESS FUND ACCOUNT AT THE END OF THE CALENDAR
9 YEAR OF THE ENACTMENT OF THIS SUBSECTION, TOGETHER WITH THE
10 INTEREST EARNED ON THAT MONEY, SHALL BE DISTRIBUTED TO LICENSED
11 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS TO BE USED
12 IN THE NEXT SUCCEEDING CALENDAR YEAR FOLLOWING THE NEXT
13 SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-SIRED
14 HORSES. AFTER DEDUCTION OF SUFFICIENT FUNDS TO COVER THE STATE
15 HARNESS RACING COMMISSION'S COST OF ADMINISTRATION, 80%, UNLESS
16 A SMALLER PERCENTAGE IS NECESSARY IN ORDER TO COMPLY WITH THE
17 MINIMUM DOLLAR REQUIREMENT OF SUBSECTION (E), OF ALL REMAINING
18 MONEYS IN THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
19 CALENDAR YEAR SHALL BE DISTRIBUTED TO LICENSED CORPORATIONS THAT
20 CONDUCT HARNESS HORSE RACE MEETINGS TO BE USED AS PURSE MONEY
21 FOR PENNSYLVANIA-SIRED HORSES. THE STATE HARNESS RACING
22 COMMISSION MAY THEN ALLOCATE UP TO A TOTAL OF AND NOT EXCEEDING
23 40% OF THE TOTAL AMOUNT TO BE DISTRIBUTED TO LICENSED
24 CORPORATIONS IN A CALENDAR YEAR FOR USE FOR A SERIES OF
25 CHAMPIONSHIP FINAL RACES AT THE RACE TRACKS OF LICENSED
26 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS. THE STATE
27 HARNESS RACING COMMISSION SHALL ALLOCATE THE MONEYS TO THESE
28 CHAMPIONSHIP FINAL RACES IN AN EQUAL AMOUNT FOR EACH SEX, AGE
29 AND GAIT FOR TWO- AND THREE-YEAR-OLD TROTTERS AND PACERS. THE
30 STATE HARNESS RACING COMMISSION SHALL DETERMINE CONDITIONS

1 ESTABLISHING ELIGIBILITY TO THESE FINAL EVENTS. NO PARI-MUTUEL
2 HARNESS TRACK SHALL BE AWARDED MORE THAN 50% OF THE CHAMPIONSHIP
3 FINAL RACES IN ANY CALENDAR YEAR. THE STATE HARNESS RACING
4 COMMISSION SHALL SCHEDULE THESE FINAL EVENTS SO AS TO EVENLY
5 ALTERNATE CLASSES AT EACH RACE TRACK EACH YEAR. AFTER THE
6 ALLOCATION FOR THE CHAMPIONSHIP FINAL RACES HAS BEEN DETERMINED,
7 THE REMAINING FUNDS TO BE DISTRIBUTED TO LICENSED CORPORATIONS
8 THAT CONDUCT HARNESS HORSE RACE MEETINGS SHALL BE DIVIDED
9 EQUALLY AMONG THE LICENSED CORPORATIONS. EACH LICENSED
10 CORPORATION SHALL DIVIDE THE FUNDS RECEIVED EQUALLY FOR EACH OF:

11 (1) FOUR TWO-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
12 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
13 FILLIES; AND

14 (2) FOUR THREE-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
15 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
16 FILLIES.

17 (C) EACH ALLOTMENT SHALL PROVIDE PURSE MONEY FOR THE
18 RESPECTIVE RACES. THE PURSE MONEY SHALL BE IN ADDITION TO ANY
19 ENTRY FEES OR OTHER FUNDS AVAILABLE.

20 (D) ENTRY FOR THESE RACES SHALL BE LIMITED TO HARNESS HORSES
21 WHICH WERE SIREN BY A STANDARD BRED STALLION REGULARLY STANDING
22 IN PENNSYLVANIA AND EACH RACE SHALL BE DESIGNATED A PENNSYLVANIA
23 SIRE STAKES RACE. THE STATE HARNESS RACING COMMISSION SHALL MAKE
24 THE PROVISIONS AND REGULATIONS AS IT SHALL DEEM NECESSARY FOR
25 THE PROPER ADMINISTRATION OF THE ENTRY RESTRICTION.

26 (E) THE REMAINING MONEYS IN THE PENNSYLVANIA SIRE STAKES
27 FUND UP TO A TOTAL OF AND NOT EXCEEDING \$25,000 FOR EACH
28 AGRICULTURAL FAIR AND ONE- OR TWO-DAY EVENTS AS DEFINED IN
29 HARNESS RACING COMMISSION REGULATIONS SHALL BE DIVIDED EQUALLY
30 AMONG THOSE AGRICULTURAL FAIRS AND ONE- OR TWO-DAY EVENTS, NOT

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

21 (F) THE FUND MONEYS REMAINING FOLLOWING DISBURSEMENTS AS
22 DIRECTED IN SUBSECTIONS (B), (C), (D) AND (E) SHALL, EXCEPT AS
23 PROVIDED IN SUBSECTION (B), BE DIVIDED AMONG ACTIVE LICENSED
24 CORPORATIONS THAT CONDUCT HARNESS HORSE RACE MEETINGS UNDER THIS
25 ACT IN DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED
26 CORPORATION GENERATED THE FUND MONEYS DURING THE PREVIOUS YEAR.
27 THE FUND MONEYS SO DIVIDED SHALL BE USED FOR PURSES AS FOLLOWS:

28 (1) A MINIMUM OF FOUR RACES, CLAIMING AND NONCLAIMING,
29 SHALL BE CARDED PER WEEK ON THE CONDITION SHEET FOR OVERNIGHT
30 CLAIMING AND NONCLAIMING PENNSYLVANIA FUND RACES WHICH

1 RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-SIRED OR WHOLLY
2 PENNSYLVANIA-OWNED HARNESS HORSES.

3 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA FUND RACES
4 WHICH PREFER REGISTERED PENNSYLVANIA-SIRED HARNESS HORSES AS
5 STARTERS. IN THESE RACES, SHOULD SEVEN OR MORE REGISTERED
6 PENNSYLVANIA-SIRED HARNESS HORSES PASS THE ENTRY BOX, THE
7 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
8 REGISTERED PENNSYLVANIA-SIRED HARNESS HORSES.

9 SECTION 225.1. FAIR FUND PROCEEDS.

10 THE SECRETARY OF AGRICULTURE SHALL DISTRIBUTE CERTAIN MONEYS
11 IN THE FAIR FUND ANNUALLY, ON OR BEFORE MARCH 1, FOR
12 REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL SOCIETY AND EACH
13 INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING HARNESS HORSE RACING
14 DURING ITS ANNUAL FAIR OTHER THAN RACES FOR TWO- AND THREE-YEAR
15 OLD COLTS AND FILLIES, AN AMOUNT OF MONEY EQUAL TO THAT USED
16 DURING THEIR ANNUAL FAIR AS PURSE MONEY FOR HARNESS HORSE
17 RACING, TRACK AND STABLE MAINTENANCE, STARTING GATE RENTAL AND
18 THE COST OF ALL HARNESS HORSE RACING OFFICIALS REQUIRED DURING
19 THEIR ANNUAL FAIR, BUT NOT MORE THAN \$13,000, A MINIMUM OF
20 \$4,000 OF WHICH MUST BE USED FOR PURSE MONEY AND THE BALANCE OF
21 SAID ALLOTMENT PER FAIR, NOT USED FOR PURSE MONEY OVER THE
22 MINIMUM \$4,000 ALLOTMENT, SHALL BE USED FOR SAID SPECIFIC
23 PURPOSES HEREIN BEFORE REFERENCED, OR OTHERWISE SAID ALLOTMENT
24 SHALL BE RETAINED IN THE FUND. THE STATE HARNESS RACING
25 COMMISSION SHALL CAUSE TO BE CARRIED OUT AS ITS RESPONSIBILITY A
26 YEARLY INSPECTION OF EACH TRACK FACILITY AND SHALL ADVISE EACH
27 OPERATING FAIR OF NECESSARY TRACK MAINTENANCE WHICH IS NECESSARY
28 TO INSURE ADEQUATE RACING SURFACE DURING THE COURSE OF SCHEDULED
29 FAIRS AND RACING EVENTS. IF IT IS THE OPINION OF THE COMMISSION
30 THAT THE FAIR SOCIETY OR EVENT SPONSOR IS NOT ADEQUATELY

1 FINANCING TRACK MAINTENANCE THROUGH ITS PERMISSIBLE
2 REIMBURSEMENT UNDER THIS PARAGRAPH, THE COMMISSION SHALL SO
3 SURCHARGE THE FAIR FUND ACCOUNT OF SAID FAIR SOCIETY OR EVENT
4 SPONSOR TO EFFECTUATE SAID REMEDIATION.

5 SECTION 226. HEARING OF REFUSAL OR REVOCATION OF LICENSE.

6 IF THE COMMISSIONS REFUSE TO GRANT ANY LICENSE APPLIED FOR
7 UNDER THIS ACT, OR SHALL REVOKE OR SUSPEND ANY LICENSE GRANTED,
8 THE APPLICANT OR LICENSEE MAY DEMAND, WITHIN TEN DAYS AFTER
9 NOTICE OF THE DECISION OF THE APPROPRIATE COMMISSION, A HEARING
10 BEFORE THE APPROPRIATE COMMISSION. THE COMMISSION SHALL GIVE
11 PROMPT NOTICE OF THE TIME AND PLACE FOR THE HEARING AT WHICH
12 TIME THE COMMISSION WILL HEAR THE APPLICANT OR LICENSEE. PENDING
13 THE HEARING AND FINAL DETERMINATION, THE ACTION OF THE
14 COMMISSIONS IN REFUSING TO GRANT OR IN REVOKING OR SUSPENDING A
15 LICENSE SHALL REMAIN IN FULL FORCE. THE COMMISSIONS MAY CONTINUE
16 ANY HEARING FROM TIME TO TIME FOR THE CONVENIENCE OF ANY OF THE
17 PARTIES. ANY OF THE PARTIES AFFECTED BY A HEARING MAY BE
18 REPRESENTED BY COUNSEL. IN THE CONDUCT OF THE HEARING, THE
19 COMMISSIONS SHALL NOT BE BOUND BY TECHNICAL RULES OF EVIDENCE,
20 BUT ALL EVIDENCE OFFERED BEFORE THE COMMISSIONS SHALL BE REDUCED
21 TO WRITING. ALL EVIDENCE, EXHIBITS AND FINDINGS OF THE
22 COMMISSIONS SHALL BE PERMANENTLY PRESERVED AND SHALL CONSTITUTE
23 THE RECORD OF THE COMMISSION. IN CONNECTION WITH THE HEARING,
24 THE COMMISSIONS SHALL HAVE THE POWER TO ADMINISTER OATHS AND
25 EXAMINE WITNESSES, AND MAY ISSUE SUBPOENAS TO COMPEL ATTENDANCE
26 OF WITNESSES AND THE PRODUCTION OF ALL MATERIAL AND RELEVANT
27 REPORTS, BOOKS, PAPERS, DOCUMENTS, CORRESPONDENCE AND OTHER
28 EVIDENCE. THE COMMISSIONS MAY BY ORDER REFER TO ONE OR MORE OF
29 ITS OFFICERS THE DUTY OF TAKING TESTIMONY IN THE MATTER AND TO
30 REPORT TO THE COMMISSION. WITHIN 30 DAYS AFTER THE CONCLUSION OF

1 THE HEARING, THE APPROPRIATE COMMISSION SHALL MAKE A FINAL ORDER
2 IN WRITING, SETTING FORTH THE REASONS FOR THE ACTION TAKEN BY IT
3 AND A COPY THEREOF SHALL BE SERVED ON THE APPLICANT OR LICENSEE.
4 SECTION 227. APPROVAL OF THE RACING FACILITY.

5 THE COMMISSIONS SHALL NOT GRANT TO A CORPORATION FORMED UNDER
6 THIS ACT A LICENSE TO CONDUCT A HORSE RACE MEETING AT WHICH
7 PARI-MUTUEL BETTING MAY BE CONDUCTED, UNTIL THE CORPORATION HAS
8 SUBMITTED TO THE APPROPRIATE COMMISSION A STATEMENT OF THE
9 LOCATION OF ITS PROPOSED GROUNDS AND RACE TRACK, TOGETHER WITH A
10 PLAN OF THE TRACK AND PLANS OF ALL BUILDINGS, SEATING STANDS AND
11 OTHER STRUCTURES IN A FORM AS THE APPROPRIATE COMMISSION MAY
12 PRESCRIBE. ALL PLANS SHALL BE APPROVED BY THE APPROPRIATE
13 COMMISSION BEFORE THE ISSUANCE OF ANY LICENSE TO CONDUCT A PARI-
14 MUTUEL HORSE RACE MEETING.

15 SECTION 228. PROHIBITION OF WAGERING BY CERTAIN OFFICIALS,
16 EMPLOYEES AND MINORS.

17 NO COMMISSIONER, EXECUTIVE SECRETARY, DEPUTY, OFFICER,
18 REPRESENTATIVE, EMPLOYEE OR COUNSEL OF THE COMMISSION SHALL
19 WAGER UPON THE OUTCOME OF ANY HORSE RACE CONDUCTED AT A TRACK AT
20 WHICH PARI-MUTUEL WAGERING IS CONDUCTED BY ANY LICENSED
21 CORPORATION OF THE COMMISSIONS. NO LICENSED CORPORATION SHALL
22 PERMIT ANY PERSON WHO IS ACTUALLY AND APPARENTLY UNDER 18 YEARS
23 OF AGE TO WAGER AT A RACE MEETING CONDUCTED BY IT. NO LICENSED
24 CORPORATION SHALL PERMIT ANY PERSON WHO IS UNDER 18 YEARS OF AGE
25 TO ATTEND A HORSE RACE MEETING CONDUCTED BY IT UNLESS THE PERSON
26 IS ACCOMPANIED BY A PARENT OR GUARDIAN. THIS SECTION SHALL NOT
27 BE CONSTRUED TO PROHIBIT PERSONS UNDER 18 YEARS OF AGE, WHO ARE
28 LEGALLY EMPLOYED, FROM BEING UPON THE RACE TRACK PREMISES FOR
29 THE SOLE PURPOSE OF ENGAGING IN THE PERFORMANCE OF THEIR DUTIES
30 AS EMPLOYEES. THE COMMISSIONS SHALL, BY RULE, PROVIDE FOR

1 ENFORCEMENT OF THIS SECTION.

2 SECTION 229. STATE HORSE RACING VETERINARIANS AND STATE
3 STEWARDS.

4 (A) THE STATE HORSE RACING COMMISSION SHALL APPOINT AND
5 EMPLOY LICENSED VETERINARIANS AND STEWARDS TO SERVE AS THE HORSE
6 RACING VETERINARIANS AND STATE STEWARDS FOR HORSE RACING,
7 RESPECTIVELY, AT EACH MEETING CONDUCTED BY A CORPORATION
8 LICENSED BY THE STATE HORSE RACING COMMISSION. THE STATE HORSE
9 RACING COMMISSION SHALL HAVE THE AUTHORITY TO EMPLOY OTHER
10 INDIVIDUALS AS SHALL BE NECESSARY TO CARRY OUT THE
11 RESPONSIBILITIES OF THIS SECTION.

12 (B) THE COSTS AND COMPENSATION OF THE HORSE RACING
13 VETERINARIANS, STATE STEWARDS AND OTHER INDIVIDUALS EMPLOYED
14 SHALL BE FIXED AND PAID BY THE STATE HORSE RACING COMMISSION.

15 (C) THE STATE HORSE RACING COMMISSION SHALL ESTABLISH A JOB
16 DESCRIPTION AND PROFESSIONAL CRITERIA FOR STEWARDS TO ASSURE
17 THAT THEY HAVE A WORKING KNOWLEDGE OF THE HORSE RACING INDUSTRY.
18 SECTION 230. STATE HARNESS RACING VETERINARIANS.

19 (A) THE STATE HARNESS RACING COMMISSION SHALL APPOINT AND
20 EMPLOY LICENSED VETERINARIANS TO SERVE AS THE HARNESS RACING
21 VETERINARIANS FOR HARNESS RACING AT EACH MEETING CONDUCTED BY A
22 CORPORATION LICENSED BY THE STATE HARNESS RACING COMMISSION. THE
23 STATE HARNESS RACING COMMISSION SHALL HAVE THE AUTHORITY TO
24 EMPLOY OTHER INDIVIDUALS AS SHALL BE NECESSARY TO CARRY OUT THE
25 RESPONSIBILITIES UNDER THIS SECTION.

26 (B) THE COSTS AND COMPENSATION OF THE HARNESS RACING
27 VETERINARIANS AND OTHER INDIVIDUALS EMPLOYED TO CARRY OUT THE
28 PROVISIONS OF THIS ACT SHALL BE FIXED AND PAID BY THE STATE
29 HARNESS RACING COMMISSION.

30 SECTION 231. FREE PASSES, CARDS OR BADGES.

1 (A) A LICENSED CORPORATION SHALL NOT ISSUE FREE PASSES,
2 CARDS OR BADGES WITHOUT ADMISSION TAX, EXCEPT TO PERSONS
3 HEREAFTER DESCRIBED: OFFICERS, EMPLOYEES AND SHAREHOLDERS OF THE
4 CORPORATION CONDUCTING THE RACE MEETING; MEMBERS, OFFICERS AND
5 EMPLOYEES OF THE COMMISSIONS; MEMBERS OF HORSE RACING
6 ASSOCIATIONS OF OTHER STATES AND FOREIGN COUNTRIES; PUBLIC
7 OFFICERS ENGAGED IN THE PERFORMANCE OF THEIR DUTIES; PERSONS
8 EMPLOYED AND ACCREDITED BY THE PRESS TO ATTEND SUCH MEETING;
9 OWNERS, STABLE MANAGERS, TRAINERS, JOCKEYS, CONCESSIONARIES AND
10 OTHER PERSONS WHOSE ACTUAL DUTIES REQUIRE THEIR PRESENCE AT THE
11 RACE TRACKS.

12 (B) THE COMMISSIONS MAY ALLOW A LICENSED CORPORATION TO
13 ISSUE FREE PASSES, CARDS OR BADGES FOR SPECIAL PROMOTIONAL
14 PROGRAMS AND SEASONAL DISCOUNT TICKET PROGRAMS, SO LONG AS THE
15 CORPORATION HAS OBTAINED APPROVAL FROM THE APPROPRIATE
16 COMMISSION. THE ADMISSIONS TAXES UNDER SECTION 208 SHALL BE
17 IMPOSED ON THE PRICE OF ALL SEASONAL DISCOUNT TICKETS SOLD BY A
18 LICENSED CORPORATION.

19 (C) THE ISSUANCE OF TAX-FREE PASSES, CARDS OR BADGES SHALL
20 BE UNDER THE RULES AND REGULATIONS OF THE COMMISSIONS. A LIST OF
21 ALL PERSONS, EXCEPT PERSONS ADMITTED UNDER AN APPROVED SPECIAL
22 PROMOTIONAL PROGRAM OR SEASONAL DISCOUNT TICKET PROGRAM, TO WHOM
23 FREE PASSES, CARDS OR BADGES ARE ISSUED SHALL BE FILED WITH THE
24 APPROPRIATE COMMISSION.

25 SECTION 232. POLITICAL SUBDIVISION AGRICULTURAL FAIRS AND HORSE
26 RACE MEETINGS NOT LICENSED TO CONDUCT PARI-MUTUEL
27 WAGERING.

28 PARI-MUTUEL WAGERING ON HORSE RACES AT ANY COUNTY OR OTHER
29 POLITICAL SUBDIVISION, AGRICULTURAL OR OTHER FAIR SHALL NOT BE
30 AUTHORIZED. NO LOTTERY, POOL SELLING, BOOKMAKING OR ANY OTHER

1 KIND OF GAMBLING UPON THE RESULTS OF RACES, HEATS OR CONTESTS OF
2 SPEED OF HORSES SHALL BE ALLOWED AT ANY FAIR OR AT ANY HORSE
3 RACE MEETING CONDUCTED IN THE STATE, EXCEPT THOSE LICENSED TO
4 OPERATE PARI-MUTUEL WAGERING UNDER THE PROVISIONS OF THIS ACT.
5 SECTION 233. MONITORING OF WAGERING ON VIDEO SCREENS.

6 EVERY CORPORATION LICENSED TO CONDUCT PARI-MUTUEL BETTING
7 SHALL DISPLAY ON VIDEO SCREENS THE APPROXIMATE ODDS OR
8 APPROXIMATE WILL-PAYS ON EACH HORSE FOR EACH RACE AS WELL AS ANY
9 COMBINATION OF RACES INCLUDING, BUT NOT LIMITED TO, QUINELLAS,
10 EXACTAS, PERFECTAS AND ANY OTHER COMBINATION OR POOL OF RACES.
11 NO DISPLAY OF APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS SHALL BE
12 REQUIRED WHERE THE WAGER IS ON HORSES IN FOUR OR MORE RACES,
13 SUCH AS "PICK 4, PICK 5 OR PICK 6." IN ADDITION TO DISPLAYING
14 THE AMOUNT OF MONEY WAGERED, THE APPROXIMATE ODDS OR APPROXIMATE
15 WILL-PAYS ON EACH HORSE OR COMBINATION OF HORSES SHALL BE SHOWN
16 ON VIDEO SCREENS IN EACH WAGERING DIVISION. FOR TRIFECTAS, IN
17 LIEU OF ODDS OR APPROXIMATE WILL-PAYS, THE AMOUNT OF MONEY BEING
18 WAGERED ON EACH HORSE TO WIN IN THE TRIFECTA POOL SHALL BE
19 DISPLAYED ON VIDEO SCREENS SEPARATELY FROM ANY OTHER
20 INFORMATION. THE ABOVE REQUIRED INFORMATION SHALL BE DISPLAYED
21 FROM THE OPENING OF BETS OR WAGERING AND BE CONTINUALLY
22 DISPLAYED UNTIL THE WAGERING IS CLOSED. AT LEAST ONE VIDEO
23 SCREEN IN EACH WAGERING DIVISION SHALL DISPLAY THE AMOUNT OF
24 MONEY WAGERED ON EACH HORSE INVOLVED IN ANY TRIFECTA POOL.
25 SECTION 234. SIMULCASTING.

26 THE STATE HORSE RACING COMMISSION AND THE STATE HARNESS
27 RACING COMMISSION SHALL ONLY PERMIT INTRASTATE SIMULCASTING OF
28 LIVE RACING BETWEEN TWO LICENSED CORPORATIONS WHEN EACH
29 CONTINUES TO SCHEDULE 95% OF THE TOTAL NUMBER OF HORSE OR
30 HARNESS RACING DAYS SCHEDULED IN 1986 AT THE FACILITY WHERE EACH

1 SAID LICENSED CORPORATION CONDUCTS ITS HORSE OR HARNESS RACING
2 DATES, AND WHEN THE AVERAGE NUMBER OF LIVE HORSE OR HARNESS
3 RACES PER RACE DAY EQUALS 90% OF THE AVERAGE NUMBER OF LIVE
4 HORSE OR HARNESS RACES CONDUCTED PER DAY IN 1985 AT THE FACILITY
5 WHERE EACH SAID LICENSED CORPORATION CONDUCTS ITS HORSE OR
6 HARNESS RACING DATES, SUBJECT TO ANY ACTIONS OR ACTIVITIES
7 BEYOND THE CONTROL OF THE LICENSEE: PROVIDED, HOWEVER, THAT FOR
8 ANY LICENSED CORPORATION THAT WAS GRANTED A PERMANENT LICENSE
9 FOR HORSE RACING AND OPERATING AT A FACILITY WHERE THE AVERAGE
10 DAILY HANDLE AT THE FACILITY AT WHICH THE LICENSED CORPORATION
11 CONDUCTS RACING DATES IS LESS THAN \$150,000 IN ANY CALENDAR YEAR
12 AFTER 1985, THE STATE HORSE RACING COMMISSION MAY PERMIT
13 INTRASTATE SIMULCASTING WHEN THE LICENSED CORPORATION FIRST
14 SCHEDULES A MINIMUM OF 50 RACING DAYS IN THE CALENDAR YEAR IN
15 WHICH IT WISHES TO SIMULCAST. A NEWLY LICENSED CORPORATION
16 RACING AT THE FACILITY MAY BE PERMITTED TO INTRASTATE SIMULCAST
17 BY THE STATE HORSE RACING COMMISSION WHEN IT FIRST SCHEDULES AT
18 LEAST 50 RACING DATES IN THE YEAR IN WHICH IT WISHES TO
19 SIMULCAST. IF A NEWLY LICENSED CORPORATION IS AWARDED HARNESS OR
20 HORSE RACING DATES AFTER 1987 AND RACES THOSE DATES AT A HORSE
21 OR HARNESS RACING FACILITY EXISTING IN 1987, OTHER THAN A
22 FACILITY WHOSE AVERAGE DAILY HANDLE IS LESS THAN \$150,000, THE
23 RESPECTIVE COMMISSIONS SHALL NOT PERMIT INTRASTATE SIMULCASTING
24 UNLESS THE SAME NUMBER OF HORSE OR HARNESS DATES SCHEDULED AT
25 THAT FACILITY IN 1987 ARE SCHEDULED AT THAT FACILITY IN THE YEAR
26 THAT THE CORPORATION WISHES TO SIMULCAST SUBJECT TO ANY ACTIONS
27 OR ACTIVITIES BEYOND THE CONTROL OF THE LICENSEES (I.E. ACT OF
28 GOD, STRIKE). FOR A LICENSED CORPORATION AWARDED RACING DATES AT
29 A FACILITY WHICH DID NOT CONDUCT HORSE OR HARNESS RACING PRIOR
30 TO 1987, THE RESPECTIVE COMMISSIONS MAY PERMIT INTRASTATE

1 SIMULCASTING IF THE LICENSED CORPORATION IS THE ONLY CORPORATION
2 OPERATING THAT FACILITY WHEN THAT CORPORATION FIRST SCHEDULES A
3 MINIMUM OF 125 DAYS OF RACING DATES IN THE CALENDAR YEAR IN
4 WHICH IT WISHES TO SIMULCAST OR WHEN MORE THAN ONE SUCH
5 CORPORATION IS AWARDED DATES FOR RACING AT THE SAME FACILITY
6 WHEN THOSE CORPORATIONS FIRST SCHEDULE A MINIMUM OF 200 DAYS OF
7 RACING IN THE CALENDAR YEAR IN WHICH THEY WISH TO SIMULCAST. FOR
8 PURPOSES OF THIS SECTION A RACING DAY SHALL CONSIST OF A MINIMUM
9 OF EIGHT LIVE RACES, EXCEPT AT THOROUGHBRED TRACKS ON BREEDERS'
10 CUP EVENT DAY. FOR ANY LICENSED RACING CORPORATION ENGAGED IN
11 SIMULCASTING, REGARDLESS OF LOCATION OR DISTANCE FROM ANOTHER
12 LICENSED RACING CORPORATION, THERE SHALL EXIST A WRITTEN
13 AGREEMENT WITH THE HORSEMAN'S ORGANIZATION REPRESENTING A
14 MAJORITY OF THE OWNERS AND TRAINERS AT BOTH THE SENDING AND
15 RECEIVING RACETRACKS. IF NO AGREEMENT CAN BE REACHED, THEN THE
16 LICENSED CORPORATION MAY PETITION THE COURT OF COMMON PLEAS IN
17 THE COUNTY IN WHICH THE LICENSED CORPORATION RACETRACK IS
18 LOCATED, WHICH MAY, UPON GOOD CAUSE SHOWN BY THE LICENSED
19 CORPORATION THAT FAILURE TO CONSENT WOULD BE DETRIMENTAL TO THE
20 PENNSYLVANIA RACING INDUSTRY, DIRECT THE ORGANIZATION
21 REPRESENTING THE HORSEMEN TO APPROVE THE SIMULCAST AGREEMENT.
22 THE RESPECTIVE COMMISSION MAY THEN AUTHORIZE THE SIMULCASTING,
23 IF, IN THE OPINION OF THE APPROPRIATE COMMISSION, SUCH
24 SIMULCASTING WILL HAVE SIGNIFICANT VALUE TO THE PENNSYLVANIA
25 RACING INDUSTRY. THE SIMULCAST SIGNAL SHALL BE ENCODED, AND THE
26 RACETRACK RECEIVING THE SIMULCAST SIGNAL SHALL NOT SEND THIS
27 SIGNAL ANYWHERE OTHER THAN PUBLIC LOCATIONS AUTHORIZED UNDER
28 SECTION 218 OR 218-A. ALL FORMS OF PARI-MUTUEL WAGERING
29 DESCRIBED IN SECTION 221 SHALL BE ALLOWED ON RACES TO BE
30 TELEVISED BY SIMULCASTING UNDER THIS SECTION. THE STATE HORSE

1 RACING COMMISSION AND THE STATE HARNESS RACING COMMISSION MAY
2 PROMULGATE REGULATIONS ON WAGERING AND THE OPERATION OF THESE
3 RACES. ALL MONEY WAGERED BY PATRONS ON THESE RACES SHALL BE
4 COMPUTED IN THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
5 PURPOSES OF TAXATION UNDER SECTION 222. IN THE EVENT THE
6 SIMULCAST IS BETWEEN A THOROUGHBRED RACETRACK AND A HARNESS
7 RACETRACK, BOTH COMMISSIONS SHALL HAVE JURISDICTION, AND ANY
8 APPROVAL REQUIRED HEREUNDER MUST BE RECEIVED FROM BOTH
9 COMMISSIONS: PROVIDED, HOWEVER, THAT IF NO AGREEMENT CAN BE
10 REACHED BETWEEN THE HORSEMAN'S ORGANIZATION AFOREMENTIONED, THEN
11 THE LICENSED CORPORATION MAY PETITION THE COURT OF COMMON PLEAS
12 IN THE COUNTY IN WHICH THE LICENSED CORPORATION RACETRACK IS
13 LOCATED, WHICH MAY, UPON GOOD CAUSE SHOWN BY THE LICENSED
14 CORPORATION THAT FAILURE TO CONSENT WOULD BE DETRIMENTAL TO THE
15 PENNSYLVANIA RACING INDUSTRY, DIRECT THE ORGANIZATION
16 REPRESENTING THE HORSEMEN TO APPROVE THE SIMULCAST AGREEMENT.
17 THE RESPECTIVE COMMISSIONS MAY THEN AUTHORIZE THE SIMULCASTING
18 IF, IN THE OPINIONS OF THE RESPECTIVE COMMISSION, SUCH
19 SIMULCASTING WILL HAVE A SIGNIFICANT VALUE TO THE PENNSYLVANIA
20 RACING INDUSTRY. THE PROVISIONS OF THIS SECTION WITH REGARD TO
21 THE REQUIRED NUMBER OF RACING DAYS MAY BE WAIVED OR MODIFIED BY
22 THE APPLICABLE COMMISSION IF THE WAIVER OR MODIFICATION HAS BEEN
23 CONSENTED TO BY THE HORSEMAN'S ORGANIZATION REPRESENTING A
24 MAJORITY OF THE OWNERS AND TRAINERS AT THE RACETRACK WHERE THE
25 RACING DAYS ARE TO BE SCHEDULED OR RACED.

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 THE MONTHLY BALANCE IN THE HORSEMEN'S ACCOUNT, THE SUM OF THE
21 DAILY BALANCES SHALL BE DIVIDED BY THE NUMBER OF DAYS IN THE
22 MONTH. THE EVERGREEN CLAUSE MUST PROVIDE THAT, 30 DAYS PRIOR TO
23 THE EXPIRATION OF THE LETTER OF CREDIT, THE FINANCIAL
24 INSTITUTION CAN ELECT NOT TO RENEW THE LETTER OF CREDIT; THAT,
25 UPON THIS ELECTION, THE FINANCIAL INSTITUTION MUST NOTIFY THE
26 DESIGNEE OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
27 OWNERS AND TRAINERS RACING WITH THE LICENSED CORPORATION, BY
28 REGISTERED MAIL, RETURN RECEIPT REQUESTED, OF THE ELECTION NOT
29 TO RENEW; AND THAT THE FINANCIAL INSTITUTION WILL HONOR THE
30 LETTER OF CREDIT FOR SIX MONTHS AFTER EXPIRATION. PURSE MONEY

1 EARNED BY OWNERS SHALL BE DEPOSITED BY THE LICENSED CORPORATION
2 IN THE HORSEMEN'S ACCOUNT WITHIN 48 HOURS AFTER THE RESULT OF
3 THE RACE IN WHICH THE MONEY WAS EARNED HAS BEEN DECLARED
4 OFFICIAL AND THE PURSE HAS BEEN RELEASED BY THE COMMISSION.

5 (D) A LICENSED CORPORATION SHALL DESIGNATE A BOOKKEEPER WHO
6 IS AUTHORIZED TO RECEIVE AND DISBURSE FUNDS FROM THE HORSEMEN'S
7 ACCOUNT. THE BOOKKEEPER MUST BE BONDED TO PROVIDE INDEMNITY FOR
8 MALFEASANCE, NONFEASANCE AND MISFEASANCE. A CERTIFIED COPY OF
9 THE BOND SHALL BE FILED WITH THE COMMISSION.

10 (E) THE HORSEMEN'S ACCOUNT AND THE INVESTMENT AND DEPOSIT
11 SCHEDULES RELATING TO THE ACCOUNT ARE SUBJECT TO EXAMINATION, AT
12 REASONABLE TIMES, BY A DESIGNEE OF THE ORGANIZATION WHICH
13 REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING WITH THE
14 LICENSED CORPORATION AND BY THE COMMISSION. THE BOOKKEEPER SHALL
15 PROVIDE EACH OWNER WITH ACCESS, AT REASONABLE TIMES DURING A
16 RACING DAY, TO THE AMOUNT OF FUNDS IN THE HORSEMEN'S ACCOUNT
17 CREDITED TO THAT OWNER. AT THE CLOSE OF A RACE MEETING, THE
18 BOOKKEEPER SHALL MAIL TO EACH OWNER A RECORD OF DEPOSITS,
19 WITHDRAWALS AND TRANSFERS AFFECTING THE AMOUNT OF FUNDS IN THE
20 HORSEMEN'S ACCOUNT CREDITED TO THAT OWNER.

21 (F) THE HORSEMEN'S ACCOUNT SHALL BE AUDITED PERIODICALLY AS
22 DEEMED APPROPRIATE BY THE COMMISSION. THERE SHALL BE AT LEAST
23 ONE AUDIT PER YEAR. MONTHLY STATEMENTS SHALL BE PROVIDED TO THE
24 DESIGNEE OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
25 OWNERS AND TRAINERS RACING WITH THE LICENSED CORPORATION.

26 (G) FIFTY PERCENT OF THE MONEY EARNED AS INTEREST ON FUNDS
27 IN THE HORSEMEN'S ACCOUNT SHALL BE PAID TO THE ORGANIZATION
28 WHICH REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING
29 WITH THE LICENSED CORPORATION ON A WEEKLY BASIS. THIS AMOUNT
30 SHALL BE FOR THE BENEFIT OF THE HORSEMEN AS DETERMINED BY THE

1 ORGANIZATION WHICH REPRESENTS THE MAJORITY OF THE OWNERS AND
2 TRAINERS RACING WITH THE LICENSED CORPORATION. THE REMAINING 50%
3 OF THE INTEREST EARNED SHALL BE FOR THE BENEFIT OF THE LICENSED
4 CORPORATION WHICH SHALL HAVE THE RESPONSIBILITY TO FUND ALL
5 COSTS ASSOCIATED WITH THE ADMINISTRATION OF THE FUND. INTEREST
6 EACH MONTH MUST BE EARNED IN AN AMOUNT EQUAL TO THE FEDERAL
7 RESERVE DISCOUNT RATE ON THE FIRST DAY OF THE MONTH.

8 SECTION 236. HARNESS RACING PURSE MONEYS.

9 EACH LICENSED HARNESS HORSE RACING ASSOCIATION MUST PLACE ON
10 DEPOSIT WITH THE STATE HARNESS RACING COMMISSION BY MARCH 1 OF
11 EACH YEAR AN IRREVOCABLE LETTER OF CREDIT EQUIVALENT TO ITS
12 AVERAGE WEEKLY PURSE TOTAL FROM THE IMMEDIATE PRIOR YEAR. THE
13 COMMISSION SHALL HOLD THE LETTER OF CREDIT IN TRUST FOR THE
14 HARNESS HORSEMEN RACING AT THAT LICENSED CORPORATION IN THE
15 EVENT THAT PURSE CHECKS ARE NOT ISSUED OR THAT INSUFFICIENT
16 FUNDS ARE AVAILABLE TO COVER THE PURSE CHECKS.

17 SECTION 237. LIMITATIONS ON DAY AND NIGHT RACING.

18 (A) FOR THE PURPOSE OF THIS SECTION DAY RACING SHALL BE
19 RACING DAYS FOR WHICH THE STARTING TIME FOR THE FIRST RACE IS AT
20 OR BEFORE 2:00 P.M., AND NIGHT RACING SHALL BE RACING DAYS FOR
21 WHICH THE STARTING TIME FOR THE FIRST RACE IS AFTER 5:00 P.M.
22 DAY RACING MAY NOT BE CONDUCTED AT ANY RACING FACILITY AFTER
23 1985 ON ANY COMPARABLE TYPE RACING DAY OR HOLIDAY ON WHICH DAY
24 RACING WAS NOT CONDUCTED IN 1985 UNLESS ALL PRESENTLY OPERATING
25 LICENSED CORPORATIONS CONDUCTING DAY RACING AGREE, IN WRITING,
26 TO ALLOW SUCH DAY RACING ACTIVITIES.

27 (B) NIGHT RACING MAY NOT BE CONDUCTED AT ANY RACING FACILITY
28 AFTER 1985 ON ANY COMPARABLE TYPE RACING NIGHT OR HOLIDAY ON
29 WHICH NIGHT RACING WAS NOT CONDUCTED IN 1985 UNLESS ALL
30 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 3. THE ACT IS AMENDED BY ADDING CHAPTERS TO READ:

9 CHAPTER 2-A

10 RACING OVERSIGHT

11 SECTION 201-A. STATE RACING COMMISSION.

12 (A) ESTABLISHMENT.--THE STATE RACING COMMISSION IS
13 ESTABLISHED AS AN INDEPENDENT ADMINISTRATIVE COMMISSION TO
14 REGULATE THE OPERATIONS OF HORSE RACING AND THE CONDUCT OF PARI-
15 MUTUEL WAGERING IN THIS COMMONWEALTH IN ACCORDANCE WITH THIS
16 ACT.

17 (B) (RESERVED).

18 (C) MEMBERSHIP.--

19 (1) THE COMMISSION SHALL CONSIST OF FIVE MEMBERS
20 APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF TWO-
21 THIRDS OF THE SENATE AS FOLLOWS:

22 (I) ONE MEMBER SHALL BE A LICENSED VETERINARIAN.

23 (II) ONE MEMBER SHALL BE FROM A LIST OF FIVE
24 RECOMMENDATIONS SUBMITTED TO THE GOVERNOR FROM THE
25 HORSEMEN REPRESENTING THE MAJORITY OF STANDARDBRED HORSE
26 OWNERS.

27 (III) ONE MEMBER SHALL BE FROM A LIST OF FIVE
28 RECOMMENDATIONS SUBMITTED TO THE GOVERNOR FROM THE
29 HORSEMEN REPRESENTING THE MAJORITY OF THOROUGHBRED HORSE
30 OWNERS.

1 (IV) NO MORE THAN THREE OF THE FIVE APPOINTMENTS
2 MADE BY THE GOVERNOR MAY BE FROM THE SAME POLITICAL PARTY
3 AS THE GOVERNOR.

4 (2) OF THE APPOINTEES INITIALLY APPOINTED BY THE
5 GOVERNOR UNDER PARAGRAPH (1), TWO SHALL SERVE AN INITIAL TERM
6 OF ONE YEAR, TWO SHALL SERVE AN INITIAL TERM OF TWO YEARS AND
7 ONE SHALL SERVE AN INITIAL TERM OF THREE YEARS, RESPECTIVELY,
8 AS DESIGNATED BY THE GOVERNOR AT THE TIME OF APPOINTMENT AND
9 UNTIL THEIR SUCCESSORS ARE APPOINTED AND QUALIFIED. UPON
10 EXPIRATION OF THE INITIAL TERMS, EACH COMMISSIONER SHALL HOLD
11 OFFICE FOR A TERM OF THREE YEARS AND UNTIL A SUCCESSOR IS
12 APPOINTED AND QUALIFIED. A COMMISSIONER MAY NOT SERVE MORE
13 THAN TWO THREE-YEAR TERMS. AN APPOINTMENT TO FILL A VACANCY
14 SHALL BE FOR THE REMAINDER OF THE UNEXPIRED TERM.

15 (3) EACH APPOINTING AUTHORITY SHALL MAKE ITS
16 APPOINTMENTS WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS
17 SECTION. APPOINTMENTS TO FILL A VACANCY SHALL BE MADE WITHIN
18 TEN DAYS OF THE CREATION OF THE VACANCY. AN APPOINTMENT SHALL
19 NOT BE FINAL UNTIL RECEIPT BY THE APPOINTING AUTHORITY OF A
20 BACKGROUND INVESTIGATION OF THE APPOINTEE BY THE PENNSYLVANIA
21 STATE POLICE, WHICH SHALL BE COMPLETED WITHIN 30 DAYS OF THE
22 APPOINTMENT. A PERSON WHO HAS BEEN CONVICTED IN A DOMESTIC OR
23 FOREIGN JURISDICTION OF A FELONY, INFAMOUS CRIME, GAMBLING
24 OFFENSE OR AN OFFENSE RELATED TO FIXING HORSE RACES OR ANIMAL
25 CRUELTY MAY NOT BE APPOINTED TO THE COMMISSION.

26 (4) THE FOLLOWING SHALL APPLY TO APPOINTEES AND
27 COMMISSIONERS:

28 (I) EACH COMMISSIONER AT THE TIME OF APPOINTMENT
29 MUST BE AT LEAST 25 YEARS OF AGE AND MUST HAVE BEEN A
30 RESIDENT OF THIS COMMONWEALTH FOR A PERIOD OF AT LEAST

1 ONE YEAR IMMEDIATELY PRECEDING APPOINTMENT. EACH
2 COMMISSIONER MUST REMAIN A RESIDENT OF THIS COMMONWEALTH
3 DURING THE TERM OF MEMBERSHIP ON THE COMMISSION.

4 (II) A PERSON MAY NOT BE APPOINTED A COMMISSIONER IF
5 THE PERSON IS A PUBLIC OFFICIAL OR PARTY OFFICER AS
6 DEFINED IN 4 PA.C.S. § 1512 (RELATING TO FINANCIAL AND
7 EMPLOYMENT INTERESTS) IN THIS COMMONWEALTH OR ANY OF ITS
8 POLITICAL SUBDIVISIONS.

9 (III) EACH COMMISSIONER, EMPLOYEE AND INDEPENDENT
10 CONTRACTOR OF THE COMMISSION MUST SIGN AN AGREEMENT NOT
11 TO DISCLOSE CONFIDENTIAL INFORMATION.

12 (IV) EXCEPT FOR A COMMISSIONER APPOINTED UNDER
13 PARAGRAPH (1) (II) AND (III), A COMMISSIONER, EMPLOYEE OR
14 INDEPENDENT CONTRACTOR OF THE COMMISSION OR OTHER AGENCY
15 HAVING REGULATORY AUTHORITY OVER HORSE RACING UNDER THIS
16 ACT MAY NOT BE EMPLOYED, HOLD AN OFFICE OR POSITION OR BE
17 ENGAGED IN AN ACTIVITY WHICH IS INCOMPATIBLE WITH THE
18 POSITION, EMPLOYMENT OR CONTRACT.

19 (V) A COMMISSIONER MAY NOT BE PAID OR RECEIVE A FEE
20 OR OTHER COMPENSATION FOR ANY ACTIVITY RELATED TO THE
21 DUTIES OR AUTHORITY OF THE COMMISSION OTHER THAN
22 COMPENSATION AND EXPENSES PROVIDED BY LAW.

23 (VI) A COMMISSIONER, EMPLOYEE OR INDEPENDENT
24 CONTRACTOR OF THE COMMISSION MAY NOT PARTICIPATE IN A
25 HEARING, PROCEEDING OR OTHER MATTER IN WHICH THE MEMBER,
26 EMPLOYEE OR INDEPENDENT CONTRACTOR, OR THE IMMEDIATE
27 FAMILY THEREOF, HAS A FINANCIAL INTEREST IN THE SUBJECT
28 MATTER OF THE HEARING OR PROCEEDING OR OTHER INTEREST
29 THAT COULD BE SUBSTANTIALLY AFFECTED BY THE OUTCOME OF
30 THE HEARING OR PROCEEDING WITHOUT FIRST FULLY DISCLOSING

1 THE NATURE OF THE INTEREST TO THE COMMISSION AND OTHER
2 PERSONS PARTICIPATING IN THE HEARING OR PROCEEDING. THE
3 COMMISSION SHALL DETERMINE IF THE INTEREST IS A
4 DISQUALIFYING INTEREST THAT REQUIRES THE DISQUALIFICATION
5 OR NONPARTICIPATION OF AN EMPLOYEE OR INDEPENDENT
6 CONTRACTOR. FOR PURPOSES OF THIS PARAGRAPH, THE TERM
7 "IMMEDIATE FAMILY" SHALL MEAN A SPOUSE, PARENT, BROTHER,
8 SISTER OR CHILD.

9 (VII) AT THE TIME OF APPOINTMENT AND ANNUALLY
10 THEREAFTER, EACH COMMISSIONER SHALL DISCLOSE THE
11 EXISTENCE OF ANY FINANCIAL INTEREST IN ANY APPLICANT,
12 LICENSED RACING ENTITY OR LICENSED FACILITY AND IN AN
13 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
14 THEREOF HELD BY THE MEMBER OR KNOWN TO BE HELD BY A
15 COMMISSIONER'S IMMEDIATE FAMILY. THE DISCLOSURE STATEMENT
16 SHALL BE FILED WITH THE EXECUTIVE DIRECTOR OF THE
17 COMMISSION AND WITH THE APPOINTING AUTHORITY FOR SUCH
18 MEMBER AND SHALL BE OPEN TO INSPECTION BY THE PUBLIC AT
19 THE OFFICE OF THE COMMISSION DURING THE NORMAL BUSINESS
20 HOURS OF THE COMMISSION AND POSTED ON THE COMMISSION'S
21 INTERNET WEBSITE FOR THE DURATION OF A COMMISSIONER'S
22 TERM AND FOR TWO YEARS AFTER A COMMISSIONER LEAVES
23 OFFICE. FOR PURPOSES OF THIS PARAGRAPH, THE TERM
24 "IMMEDIATE FAMILY" SHALL MEAN A SPOUSE, PARENT, BROTHER,
25 SISTER OR CHILD.

26 (VIII) PRIOR TO ENTERING INTO EMPLOYMENT OR A
27 CONTRACT WITH THE COMMISSION AND ANNUALLY THEREAFTER, AN
28 EMPLOYEE OR INDEPENDENT CONTRACTOR MUST DISCLOSE THE
29 EXISTENCE OF ANY FINANCIAL INTEREST IN ANY APPLICANT,
30 LICENSED RACING ENTITY OR LICENSED FACILITY AND IN AN

1 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
2 THEREOF OWNED OR HELD BY THE EMPLOYEE OR INDEPENDENT
3 CONTRACTOR OR KNOWN TO BE HELD BY THE IMMEDIATE FAMILY OF
4 THE EMPLOYEE OR INDEPENDENT CONTRACTOR. THE DISCLOSURE
5 STATEMENT SHALL BE FILED WITH THE COMMISSION AND SHALL BE
6 OPEN TO INSPECTION BY THE PUBLIC AT THE OFFICE OF THE
7 COMMISSION DURING THE NORMAL BUSINESS HOURS OF THE
8 COMMISSION AND POSTED ON THE COMMISSION'S INTERNET
9 WEBSITE FOR THE DURATION OF THE EMPLOYMENT OR CONTRACT
10 AND FOR TWO YEARS AFTER TERMINATION OF EMPLOYMENT OR A
11 CONTRACT WITH THE COMMISSION. FOR PURPOSES OF THIS
12 PARAGRAPH, THE TERM "IMMEDIATE FAMILY" SHALL MEAN A
13 SPOUSE, PARENT, BROTHER, SISTER OR CHILD.

14 (IX) A COMMISSIONER OR EMPLOYEE OF THE COMMISSION
15 MAY NOT DIRECTLY OR INDIRECTLY SOLICIT, REQUEST, SUGGEST
16 OR RECOMMEND TO ANY APPLICANT, LICENSED RACING ENTITY, OR
17 AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY
18 THEREOF OR TO AN EMPLOYEE OR AGENT THEREOF, THE
19 APPOINTMENT OR EMPLOYMENT OF ANY PERSON IN ANY CAPACITY
20 BY THE APPLICANT, LICENSED RACING ENTITY OR AN AFFILIATE,
21 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF
22 DURING THE TERM OF OFFICE OR EMPLOYMENT WITH THE
23 COMMISSION.

24 (X) EXCEPT FOR A COMMISSIONER APPOINTED UNDER
25 PARAGRAPH (1) (II) AND (III), A COMMISSIONER MAY NOT
26 ACCEPT EMPLOYMENT WITH AN APPLICANT FOR A HORSE RACING
27 LICENSE, A LICENSED RACING ENTITY, OR AN AFFILIATE,
28 INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY THEREOF, FOR
29 A PERIOD OF TWO YEARS FROM THE TERMINATION OF TERM OF
30 OFFICE.

1 (XI) A FORMER COMMISSIONER MAY NOT APPEAR BEFORE THE
2 COMMISSION IN ANY HEARING OR PROCEEDING OR PARTICIPATE IN
3 ANY OTHER ACTIVITY ON BEHALF OF ANY APPLICANT FOR A HORSE
4 RACING LICENSE, A LICENSED RACING ENTITY, OR AN
5 AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING COMPANY OF
6 AN APPLICANT OR LICENSED RACING ENTITY FOR A PERIOD OF
7 TWO YEARS FROM THE TERMINATION OF TERM OF OFFICE.

8 (XII) A COMMISSIONER OR EMPLOYEE OF THE COMMISSION
9 MAY NOT ACCEPT A COMPLIMENTARY SERVICE, AND EXCEPT FOR A
10 COMMISSIONER APPOINTED UNDER PARAGRAPH (1) (II) AND (III)
11 PLACE A WAGER OR BE PAID ANY PRIZE FROM ANY WAGER ON A
12 HORSE RACE AT A RACETRACK OR NONPRIMARY LOCATION WITHIN
13 THIS COMMONWEALTH OR AT ANY OTHER RACETRACK OR NONPRIMARY
14 LOCATION OUTSIDE THIS COMMONWEALTH WHICH IS OWNED OR
15 OPERATED BY A LICENSED RACING ENTITY OR ANY OF ITS
16 AFFILIATES, INTERMEDIARIES, SUBSIDIARIES OR HOLDING
17 COMPANIES FOR THE DURATION OF THE COMMISSIONER'S OR
18 EMPLOYEE'S TERM OF OFFICE OR EMPLOYMENT.

19 (XIII) A COMMISSIONER WHO HAS BEEN CONVICTED DURING
20 HIS TERM OF OFFICE IN A DOMESTIC OR FOREIGN JURISDICTION
21 OF A FELONY, INFAMOUS CRIME, OFFENSE RELATED TO FIXING OR
22 RIGGING HORSE RACES OR GAMBLING OFFENSE SHALL, UPON
23 CONVICTION, BE AUTOMATICALLY REMOVED FROM THE COMMISSION
24 AND SHALL BE INELIGIBLE TO BECOME A COMMISSIONER IN THE
25 FUTURE.

26 (XIV) THE FOLLOWING SHALL APPLY TO AN EMPLOYEE OF
27 THE COMMISSION WHOSE DUTIES SUBSTANTIALLY INVOLVE
28 LICENSING, ENFORCEMENT, DEVELOPMENT OF LAW, PROMULGATION
29 OF REGULATIONS OR DEVELOPMENT OF POLICY, RELATING TO
30 HORSE RACING UNDER THIS ACT OR WHO HAS OTHER

1 DISCRETIONARY AUTHORITY WHICH MAY AFFECT OR INFLUENCE THE
2 OUTCOME OF AN ACTION, PROCEEDING OR DECISION UNDER THIS
3 ACT, INCLUDING THE DIRECTOR OF A BUREAU:

4 (A) THE INDIVIDUAL MAY NOT, FOR A PERIOD OF TWO
5 YEARS FOLLOWING TERMINATION OF EMPLOYMENT, ACCEPT
6 EMPLOYMENT WITH OR BE RETAINED BY AN APPLICANT FOR A
7 HORSE RACING LICENSE OR A LICENSED RACING ENTITY OR
8 BY AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR HOLDING
9 COMPANY OF AN APPLICANT OR A LICENSED RACING ENTITY.

10 (B) THE INDIVIDUAL MAY NOT, FOR A PERIOD OF TWO
11 YEARS FOLLOWING TERMINATION OF EMPLOYMENT, APPEAR
12 BEFORE THE COMMISSION IN A HEARING OR PROCEEDING OR
13 PARTICIPATE IN ACTIVITY ON BEHALF OF ANY APPLICANT,
14 LICENSEE, PERMITTEE OR LICENSED RACING ENTITY OR ON
15 BEHALF OF AN AFFILIATE, INTERMEDIARY, SUBSIDIARY OR
16 HOLDING COMPANY OF ANY APPLICANT, LICENSEE, PERMITTEE
17 OR LICENSED RACING ENTITY.

18 (XV) NOTHING UNDER SUBPARAGRAPH (XIV) SHALL PREVENT
19 A CURRENT OR FORMER EMPLOYEE OF THE COMMISSION FROM
20 APPEARING BEFORE THE COMMISSION IN A HEARING OR
21 PROCEEDING AS A WITNESS OR TESTIFYING AS TO A FACT OR
22 INFORMATION.

23 (XVI) THE STATE ETHICS COMMISSION SHALL ISSUE A
24 WRITTEN DETERMINATION OF WHETHER A PERSON IS SUBJECT TO
25 SUBPARAGRAPH (XIV) UPON THE WRITTEN REQUEST OF THE PERSON
26 OR THE PERSON'S EMPLOYER OR POTENTIAL EMPLOYER. A PERSON
27 THAT RELIES IN GOOD FAITH ON A DETERMINATION ISSUED UNDER
28 THIS PARAGRAPH SHALL NOT BE SUBJECT TO ANY PENALTY FOR AN
29 ACTION TAKEN, IF ALL MATERIAL FACTS SET FORTH IN THE
30 REQUEST FOR THE DETERMINATION ARE CORRECT.

1 (XVII) THE STATE ETHICS COMMISSION SHALL PUBLISH A
2 LIST OF ALL EMPLOYMENT POSITIONS WITHIN THE COMMISSION
3 WHOSE DUTIES WOULD SUBJECT THE INDIVIDUALS IN THOSE
4 POSITIONS TO THE PROVISIONS OF SUBPARAGRAPH (XIV). THE
5 COMMISSION SHALL ASSIST THE STATE ETHICS COMMISSION IN
6 THE DEVELOPMENT OF THE LIST, WHICH SHALL BE PUBLISHED BY
7 THE STATE ETHICS COMMISSION IN THE PENNSYLVANIA BULLETIN
8 BIENNIALLY AND POSTED BY THE COMMISSION ON THE
9 COMMISSION'S INTERNET WEBSITE. UPON REQUEST, EMPLOYEES OF
10 THE COMMISSION SHALL HAVE A DUTY TO PROVIDE THE STATE
11 ETHICS COMMISSION WITH ADEQUATE INFORMATION TO ACCURATELY
12 DEVELOP AND MAINTAIN THE LIST. THE STATE ETHICS
13 COMMISSION MAY IMPOSE A CIVIL PENALTY UNDER 65 PA.C.S. §
14 1109(F) (RELATING TO PENALTIES) UPON AN INDIVIDUAL WHO
15 FAILS TO COOPERATE WITH THE STATE ETHICS COMMISSION UNDER
16 THIS SUBPARAGRAPH. AN INDIVIDUAL WHO RELIES IN GOOD FAITH
17 ON THE LIST PUBLISHED BY THE STATE ETHICS COMMISSION
18 SHALL NOT BE SUBJECT TO ANY PENALTY FOR A VIOLATION OF
19 SUBPARAGRAPH (XIV).

20 (XVIII) A COMMISSIONER MAY NOT SOLICIT, REQUEST,
21 SUGGEST OR RECOMMEND THE EMPLOYMENT BY THE COMMISSION OF:

22 (A) AN INDIVIDUAL RELATED TO THE COMMISSIONER
23 WITHIN THE SECOND DEGREE OF CONSANGUINITY AS PROVIDED
24 IN 23 PA.C.S. § 1304(E) (RELATING TO RESTRICTIONS ON
25 ISSUANCE OF LICENSE); OR

26 (B) THE SPOUSE OF THE INDIVIDUAL.

27 (XIX) IF A COMMISSIONER VIOLATES ANY PROVISION OF
28 THIS SECTION, THE APPOINTING AUTHORITY MAY REMOVE THE
29 PERSON FROM THE COMMISSION. A COMMISSIONER REMOVED UNDER
30 THIS PARAGRAPH SHALL, FOR A PERIOD OF FIVE YEARS

1 FOLLOWING REMOVAL, BE PROHIBITED FROM FUTURE APPOINTMENT
2 TO THE COMMISSION AND SHALL BE PROHIBITED FROM APPLYING
3 FOR A LICENSE, PERMIT OR OTHER AUTHORIZATION UNDER THIS
4 ACT AND FROM BECOMING AN INDEPENDENT CONTRACTOR WITH THE
5 COMMISSION OR REGISTERING AS A LICENSED RACING ENTITY
6 REPRESENTATIVE.

7 (XX) EXCEPT FOR A COMMISSIONER APPOINTED UNDER
8 PARAGRAPH (1) (II) AND (III), A COMMISSIONER OR EMPLOYEE
9 OF THE COMMISSION MAY NOT DIRECTLY OR INDIRECTLY HAVE AN
10 OWNERSHIP INTEREST IN A RACE HORSE WHICH IS ENTERED IN A
11 RACE MEETING IN THIS COMMONWEALTH.

12 (5) THE COMMISSIONER OR EMPLOYEE OF THE COMMISSION SHALL
13 SERVE AS A FIDUCIARY OF THE COMMONWEALTH.

14 (6) COMMISSIONERS SHALL EXERCISE THE STANDARD OF CARE
15 REQUIRED BY 20 PA.C.S. CH. 73 (RELATING TO MUNICIPALITIES
16 INVESTMENTS) IN THE PERFORMANCE OF THEIR DUTIES UNDER THIS
17 ACT.

18 (7) A COMMISSIONER SHALL NOT BE PERSONALLY LIABLE FOR
19 ANY OF THE FOLLOWING:

20 (I) OBLIGATIONS OF THE COMMISSION.

21 (II) ACTIONS WHICH WERE WITHIN THE SCOPE OF THEIR
22 OFFICE AND MADE IN GOOD FAITH.

23 (C.1) CHAIRPERSON.--THE GOVERNOR SHALL APPOINT THE
24 CHAIRPERSON OF THE COMMISSION.

25 (C.2) COMPENSATION.--COMMISSIONERS SHALL BE REIMBURSED FOR
26 DOCUMENTED EXPENSES INCURRED IN THE PERFORMANCE OF THEIR
27 OFFICIAL DUTIES. COMMISSIONERS SHALL BE PAID \$300 PER DIEM FOR
28 PERFORMING THEIR DUTIES.

29 (C.4) MEETINGS.--THE COMMISSION SHALL MEET AT LEAST ONCE A
30 MONTH AND AT OTHER TIMES AS THE COMMISSION CHAIRPERSON DEEMS

1 NECESSARY. PUBLIC NOTICE OF THE TIME AND PLACE OF MEETINGS OF
2 THE COMMISSION SHALL BE GIVEN IN ACCORDANCE WITH 65 PA.C.S. CH.
3 7 (RELATING TO OPEN MEETINGS).

4 (C.5) EMPLOYEES.--COMMISSION EMPLOYEES SHALL BE CONSIDERED
5 STATE EMPLOYEES FOR PURPOSES OF 71 PA.C.S. PT. XXV (RELATING TO
6 RETIREMENT FOR STATE EMPLOYEES AND OFFICERS).

7 (C.6) LEGAL COUNSEL.--LEGAL COUNSEL FOR THE COMMISSION SHALL
8 BE APPOINTED IN ACCORDANCE WITH THE ACT OF OCTOBER 15, 1980
9 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT.

10 (C.7) EMPLOYEE CLASSIFICATION.--THE COMMISSION SHALL BE
11 SUBJECT TO THE PROVISIONS OF THE ACT OF APRIL 9, 1929 (P.L.177,
12 NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929, AS TO
13 CLASSIFICATION AND COMPENSATION FOR ALL ITS EMPLOYEES.

14 (C.8) ADMINISTRATIVE STAFF AND FACILITIES.--THE DEPARTMENT
15 OF AGRICULTURE SHALL PROVIDE ADMINISTRATIVE SERVICES,
16 ADMINISTRATIVE STAFF AND FACILITIES TO THE COMMISSION. THE
17 COMMISSION SHALL EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE
18 DEPARTMENT OF AGRICULTURE FOR PURPOSES OF ESTABLISHING A
19 SCHEDULE OF REIMBURSEMENT FOR THE ACTUAL COST OF PROVIDING
20 ADMINISTRATIVE SERVICES, ADMINISTRATIVE STAFF AND FACILITIES.
21 REIMBURSEMENTS SHALL BE PAID FROM THE STATE RACING FUND AND
22 SHALL BE LIMITED TO ACTUAL COSTS, INCLUDING SALARIES AND
23 BENEFITS, AND EXPENSES OF THE EMPLOYEE PROVIDING THE SERVICE.
24 THE DEPARTMENT OF AGRICULTURE SHALL RETAIN RECORDS REGARDING ANY
25 ADMINISTRATIVE SERVICE PROVIDED TO THE COMMISSION BY A
26 DEPARTMENTAL EMPLOYEE.

27 (C.9) APPLICABILITY OF OTHER ACTS.--

28 (1) THE FOLLOWING ACTS SHALL APPLY TO THE COMMISSION:

29 (I) THE ACT OF JULY 19, 1957 (P.L.1017, NO.451),
30 KNOWN AS THE STATE ADVERSE INTEREST ACT.

1 (II) THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3),
2 KNOWN AS THE RIGHT-TO-KNOW LAW.

3 (III) THE PROVISIONS OF 65 PA.C.S. CHS. 7 (RELATING
4 TO OPEN MEETINGS) AND 11 (RELATING TO ETHICS STANDARDS
5 AND FINANCIAL DISCLOSURE).

6 (2) THE COMMISSION SHALL BE CONSIDERED AN INDEPENDENT
7 AGENCY FOR THE PURPOSES OF 62 PA.C.S. PT. I (RELATING TO
8 COMMONWEALTH PROCUREMENT CODE). THE EXPEDITING OF PAYMENT OF
9 REVENUE TO THE COMMONWEALTH SHALL NOT BE GROUNDS FOR AN
10 EMERGENCY PROCUREMENT BY THE COMMISSION.

11 (3) THE COMMISSION SHALL BE CONSIDERED AN AGENCY FOR THE
12 PURPOSES OF:

13 (I) THE ACT OF JULY 31, 1968 (P.L.769, NO.240),
14 REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW.

15 (II) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
16 KNOWN AS THE REGULATORY REVIEW ACT.

17 (D) OFFICE OF HORSE RACING.--THERE IS HEREBY ESTABLISHED
18 WITHIN THE COMMISSION AN OFFICE OF HORSE RACING.

19 (1) THE OFFICE SHALL BE COMPRISED OF THE FOLLOWING:

20 (I) THE BUREAU OF THOROUGHBRED HORSE RACING SHALL
21 HAVE OVERSIGHT OVER THE CONDUCT OF THOROUGHBRED HORSE
22 RACING IN THIS COMMONWEALTH.

23 (II) THE BUREAU OF STANDARDBRED HORSE RACING SHALL
24 HAVE OVERSIGHT OVER THE CONDUCT OF STANDARDBRED HORSE
25 RACING IN THIS COMMONWEALTH.

26 (2) THE BUREAU OF THOROUGHBRED HORSE RACING AND THE
27 BUREAU OF STANDARDBRED HORSE RACING SHALL EACH HAVE A
28 DIRECTOR AND STAFF NECESSARY TO CARRY OUT THE PROVISIONS OF
29 THIS ACT. THE DIRECTOR OF EACH BUREAU ESTABLISHED IN THIS
30 SECTION MUST MEET ANY OF THE FOLLOWING REQUIREMENTS:

1 (I) HAS BEEN CERTIFIED AS A RACING OFFICIAL.

2 (II) HAVE AT LEAST FIVE YEARS' EXPERIENCE IN THE
3 MANAGEMENT OF A LICENSED RACING ENTITY.

4 (3) EACH BUREAU ESTABLISHED UNDER THIS SUBSECTION SHALL
5 HAVE THE FOLLOWING POWERS AND DUTIES:

6 (I) EVALUATE AND REVIEW ALL APPLICANTS AND
7 APPLICATIONS FOR A HORSE RACING OR HARNESS RACING
8 LICENSE. A BUREAU UNDER THIS SECTION SHALL BE PROHIBITED
9 FROM DISCLOSING ANY PORTION OF AN EVALUATION TO A
10 COMMISSIONER PRIOR TO THE DECISION RELATING TO THE
11 APPLICANT'S SUITABILITY FOR LICENSURE BY THE COMMISSION.

12 (II) INSPECT AND MONITOR LICENSEES AND OTHER PERSONS
13 REGULATED UNDER THIS ACT FOR NONCRIMINAL VIOLATIONS,
14 INCLUDING POTENTIAL VIOLATIONS REFERRED TO EITHER BUREAU
15 BY THE COMMISSION OR OTHER PERSON.

16 (III) MONITOR HORSE RACING OPERATIONS TO ENSURE
17 COMPLIANCE WITH THIS ACT.

18 (IV) INSPECT AND EXAMINE LICENSED RACING ENTITIES.

19 (A) INSPECTIONS MAY INCLUDE THE REVIEW AND
20 REPRODUCTION OF ANY DOCUMENT OR RECORD.

21 (B) EXAMINATIONS MAY INCLUDE THE REVIEW OF
22 ACCOUNTING, ADMINISTRATIVE AND FINANCIAL RECORDS,
23 MANAGEMENT CONTROL SYSTEMS, PROCEDURES AND OTHER
24 RECORDS.

25 (V) REFER POSSIBLE CRIMINAL VIOLATION TO LAW
26 ENFORCEMENT.

27 (VI) COOPERATE IN THE INVESTIGATION AND PROSECUTION
28 OF ANY CRIMINAL VIOLATION.

29 (E) JURISDICTION.--THE COMMISSION SHALL HAVE JURISDICTION AND
30 REGULATORY AUTHORITY OVER THE FOLLOWING:

1 (1) PARI-MUTUEL WAGERING AND OTHER HORSE RACING
2 ACTIVITIES IN THIS COMMONWEALTH.

3 (2) A LICENSED PERSON ENGAGED IN PARI-MUTUEL HORSE
4 RACING ACTIVITIES.

5 (3) OUT-OF-COMPETITION DRUG TESTING, WHICH SHALL INCLUDE
6 THE RANDOM DRUG TESTING OF ALL HORSES ENTERED IN A RACE,
7 STABLED ON THE GROUNDS OR SHIPPED INTO A LICENSED RACING
8 ENTITY'S FACILITY.

9 (4) THE CONDUCT OF HORSE RACING IN THIS COMMONWEALTH.

10 (F) VOTING.--

11 (1) EXCEPT AS PROVIDED UNDER PARAGRAPHS (2) AND (3), ANY
12 ACTION, INCLUDING THE APPROVAL, ISSUANCE, DENIAL OR
13 CONDITIONING OF A HORSE RACING LICENSE BY THE COMMISSION, THE
14 MAKING OF ANY ORDER OR THE RATIFICATION OF A PERMISSIBLE ACT
15 DONE OR ORDER MADE BY ONE OR MORE COMMISSIONERS SHALL REQUIRE
16 A SUPERMAJORITY VOTE CONSISTING OF FOUR OF FIVE
17 COMMISSIONERS.

18 (2) ANY ACTION TO SUSPEND, REVOKE, NOT RENEW, VOID OR
19 REQUIRE FORFEITURE OF A LICENSE OR PERMIT ISSUED UNDER THIS
20 ACT, TO IMPOSE AN ADMINISTRATIVE FINE OR PENALTY OR TO ISSUE
21 CEASE AND DESIST ORDERS OR SIMILAR ENFORCEMENT ACTIONS SHALL
22 REQUIRE A MAJORITY VOTE OF ALL COMMISSIONERS.

23 (3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT OR
24 65 PA.C.S. § 1103(J) (RELATING TO RESTRICTED ACTIVITIES), A
25 COMMISSIONER MUST DISCLOSE THE NATURE OF HIS DISQUALIFYING
26 INTEREST, DISQUALIFY HIMSELF AND ABSTAIN FROM VOTING IN ANY
27 HEARING OR PROCEEDING IN WHICH THE COMMISSIONER'S
28 OBJECTIVITY, IMPARTIALITY, INTEGRITY OR INDEPENDENCE OF
29 JUDGMENT MAY BE REASONABLY QUESTIONED. IF A COMMISSIONER HAS
30 DISQUALIFIED HIMSELF, THE SUPERMAJORITY VOTE SHALL CONSIST OF

1 ALL OF THE REMAINING COMMISSIONERS.

2 (G) RECORDS.--THE COMMISSION SHALL MAINTAIN AT ITS OFFICE
3 THE FOLLOWING:

4 (1) ALL DOCUMENTS PROVIDED TO OR FILED WITH THE
5 COMMISSION RELATING TO THE REGULATION OF HORSE RACING AND
6 PARI-MUTUEL WAGERING UNDER THIS ACT. DOCUMENTS MAY BE
7 DESIGNATED AS CONFIDENTIAL IN ACCORDANCE WITH COMMISSION
8 POLICY.

9 (2) A DOCKET SETTING FORTH THE NAMES OF ALL STOCKHOLDERS
10 IN A LICENSED RACING ENTITY. THE DOCKET SHALL BE AVAILABLE
11 FOR PUBLIC INSPECTION DURING NORMAL BUSINESS HOURS OF THE
12 COMMISSION.

13 (3) THE NUMBER OF SHARES HELD BY EACH STOCKHOLDER.

14 (4) A COMPLETE RECORD OF PROCEEDINGS OF THE COMMISSION
15 RELATING TO HORSE RACING AND PARI-MUTUEL WAGERING.

16 (H) RULES AND REGULATIONS.--THE FOLLOWING SHALL APPLY:

17 (1) ALL RULES AND REGULATIONS PROMULGATED UNDER THE
18 FORMER ACT OF DECEMBER 11, 1967 (P.L.707, NO.331), REFERRED
19 TO AS THE PENNSYLVANIA THOROUGHBRED HORSE RACING LAW, OR THE
20 FORMER ACT OF DECEMBER 22, 1959 (P.L.1978, NO.728), REFERRED
21 TO AS THE PENNSYLVANIA HARNESS RACING LAW, SHALL REMAIN IN
22 EFFECT EXCEPT TO THE EXTENT THAT THEY ARE IN DIRECT CONFLICT
23 WITH THIS ACT. THE COMMISSION MAY ADOPT, AMEND, REVISE OR
24 ALTER THE RULES AND REGULATIONS AS THE COMMISSION DEEMS
25 NECESSARY.

26 (2) THE COMMISSION SHALL PROMULGATE RULES AND
27 REGULATIONS NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT
28 OF THIS ACT. EXCEPT AS PROVIDED IN PARAGRAPH (3), REGULATIONS
29 SHALL BE PROMULGATED IN ACCORDANCE WITH LAW.

30 (3) IN ORDER TO FACILITATE THE PROMPT IMPLEMENTATION OF

1 THIS ACT, REGULATIONS PROMULGATED BY THE COMMISSION SHALL BE
2 DEEMED TEMPORARY REGULATIONS WHICH SHALL NOT EXPIRE FOR A
3 PERIOD OF THREE YEARS FOLLOWING PUBLICATION. TEMPORARY
4 REGULATIONS SHALL NOT BE SUBJECT TO:

5 (I) SECTIONS 201, 202, 203, 204 AND 205 OF THE
6 COMMONWEALTH DOCUMENTS LAW.

7 (II) THE REGULATORY REVIEW ACT.

8 (III) SECTIONS 204(B) AND 301(10) OF THE
9 COMMONWEALTH ATTORNEYS ACT.

10 (4) THE COMMISSION'S AUTHORITY TO PROMULGATE TEMPORARY
11 REGULATIONS UNDER PARAGRAPH (3) SHALL EXPIRE THREE YEARS
12 AFTER THE EFFECTIVE DATE OF THIS SECTION. REGULATIONS ADOPTED
13 AFTER THIS PERIOD SHALL BE PROMULGATED AS PROVIDED BY LAW.

14 (I) APPLICATION.--THE COMMISSION SHALL DEVELOP AN
15 APPLICATION FOR APPLICANTS SEEKING A LICENSE TO CONDUCT HORSE
16 RACING PURSUANT TO THIS ACT.

17 (J) LICENSES.--EACH LICENSE TO CONDUCT HORSE RACING OR ANY
18 OTHER ACTIVITY UNDER THIS ACT ISSUED PRIOR TO JANUARY 1, 2015,
19 SHALL REMAIN IN EFFECT FOR THE REMAINDER OF THE TERM FOR WHICH
20 THE LICENSE WAS ISSUED UNLESS REVOKED OR SUSPENDED. BEGINNING
21 JANUARY 1, 2015, A LICENSE SHALL BE RENEWED OR A NEW LICENSE
22 SHALL BE ISSUED IN ACCORDANCE WITH THIS ACT.

23 (K) REPORT OF COMMISSION.--EIGHTEEN MONTHS AFTER THE
24 EFFECTIVE DATE OF THIS SECTION AND EVERY YEAR ON THAT DATE
25 THEREAFTER, THE COMMISSION SHALL ISSUE A REPORT TO THE GOVERNOR
26 AND EACH MEMBER OF THE GENERAL ASSEMBLY ON THE GENERAL OPERATION
27 OF THE COMMISSION AND EACH LICENSEE'S PERFORMANCE, INCLUDING
28 NUMBER AND WIN PER RACE AND TOTAL GROSS REVENUE AT EACH FACILITY
29 OF A LICENSED RACING ENTITY DURING THE PREVIOUS YEAR, ALL TAXES,
30 FEES, FINES AND OTHER REVENUES COLLECTED AND, WHERE APPROPRIATE,

1 DISBURSED, THE COSTS OF OPERATION OF THE COMMISSION, ALL
2 HEARINGS CONDUCTED AND THE RESULTS OF THE HEARINGS AND OTHER
3 INFORMATION THAT THE COMMISSION DEEMS NECESSARY AND APPROPRIATE.

4 (L) RECORD OF PROCEEDINGS.--THE COMMISSION SHALL CAUSE TO BE
5 MADE AND KEPT A RECORD OF ALL PROCEEDINGS HELD AT PUBLIC
6 MEETINGS OF THE COMMISSION. THE VERBATIM TRANSCRIPT OF THOSE
7 PROCEEDINGS SHALL BE THE PROPERTY OF THE COMMISSION AND SHALL BE
8 PREPARED BY THE COMMISSION UPON THE REQUEST OF ANY COMMISSIONER
9 OR UPON THE REQUEST OF ANY OTHER PERSON AND THE PAYMENT BY THAT
10 PERSON OF THE COSTS OF PREPARATION.

11 (M) PUBLIC RECORDS.--BEGINNING 30 DAYS AFTER THE EFFECTIVE
12 DATE OF THIS SECTION, THE COMMISSION SHALL POST, WITHIN 45 DAYS
13 AFTER THE END OF EACH MONTH ON ITS INTERNET WEBSITE, A LIST OF
14 ALL THE ITEMIZED EXPENSES OF EMPLOYEES AND COMMISSIONERS FOR
15 THAT MONTH THAT WERE OR ARE TO BE REIMBURSED FROM THE STATE
16 RACING FUND. THE LIST SHALL IDENTIFY THE NATURE OF THE EXPENSE,
17 THE EMPLOYEE, MEMBER OR THE AGENCY AND EMPLOYEE OF THE AGENCY TO
18 WHICH AN EXPENSE IS ATTRIBUTABLE. BY OCTOBER 1 OF EACH YEAR, A
19 FINAL REPORT OF ALL EXPENSES DESCRIBED IN THIS SUBSECTION FOR
20 THE PRECEDING FISCAL YEAR SHALL BE POSTED ON THE COMMISSION'S
21 INTERNET WEBSITE AND SHALL BE SUBMITTED TO THE APPROPRIATIONS
22 COMMITTEE OF THE SENATE, THE AGRICULTURE AND RURAL AFFAIRS
23 COMMITTEE OF THE SENATE, THE APPROPRIATIONS COMMITTEE OF THE
24 HOUSE OF REPRESENTATIVES AND THE AGRICULTURE AND RURAL AFFAIRS
25 COMMITTEE OF THE HOUSE OF REPRESENTATIVES. INFORMATION POSTED ON
26 THE INTERNET WEBSITE PURSUANT TO THIS SUBSECTION SHALL BE
27 FINANCIAL RECORDS FOR THE PURPOSES OF AND SUBJECT TO REDACTION
28 UNDER THE RIGHT-TO-KNOW LAW.

29 SECTION 202-A. ADDITIONAL POWERS OF THE COMMISSION.

30 THE COMMISSION SHALL REGULATE HORSE RACING AT WHICH PARI-

1 MUTUEL WAGERING IS CONDUCTED AND APPROVE THE NUMBER OF RACING
2 DAYS ALLOCATED TO EACH LICENSED RACING ENTITY. IN ADDITION TO
3 ANY OTHER POWERS OF THE COMMISSION:

4 (1) THE COMMISSION SHALL PROMULGATE REGULATIONS
5 REGARDING MEDICATION RULES AS REQUIRED UNDER CHAPTER 3.

6 (2) THE COMMISSION SHALL REQUIRE APPLICANTS UNDER THIS
7 ACT TO SUBMIT TO FINGERPRINTING AND PHOTOGRAPHING BY THE
8 PENNSYLVANIA STATE POLICE OR BY A LOCAL LAW ENFORCEMENT
9 AGENCY CAPABLE OF SUBMITTING FINGERPRINTS AND PHOTOGRAPHS
10 ELECTRONICALLY TO THE PENNSYLVANIA STATE POLICE UTILIZING THE
11 INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM AND
12 THE COMMONWEALTH PHOTO IMAGING NETWORK OR IN A MANNER
13 PROVIDED BY THE PENNSYLVANIA STATE POLICE. THE PENNSYLVANIA
14 STATE POLICE SHALL SUBMIT FINGERPRINTS TO THE FEDERAL BUREAU
15 OF INVESTIGATION TO VERIFY THE IDENTITY OF APPLICANTS AND TO
16 OBTAIN CRIMINAL RECORDS. THE COMMISSION SHALL CONSIDER
17 INFORMATION OBTAINED PURSUANT TO THIS PARAGRAPH FOR THE
18 PURPOSE OF SCREENING APPLICANTS FOR FITNESS FOR LICENSURE IN
19 ACCORDANCE WITH THE PROVISIONS OF THIS ACT. NATIONAL CRIMINAL
20 HISTORY RECORD INFORMATION RECEIVED BY THE COMMISSION SHALL
21 BE HANDLED AND MAINTAINED IN ACCORDANCE WITH FEDERAL BUREAU
22 OF INVESTIGATION POLICY. FINGERPRINTS AND PHOTOGRAPHS
23 OBTAINED UNDER THIS PARAGRAPH MAY BE MAINTAINED BY THE
24 COMMISSION AND THE PENNSYLVANIA STATE POLICE TO ENFORCE THIS
25 ACT AND FOR GENERAL LAW ENFORCEMENT PURPOSES. IN ADDITION TO
26 ANY OTHER FEE OR COST ASSESSED BY THE COMMISSION, AN
27 APPLICANT SHALL PAY FOR THE COST OF FINGERPRINTING AND
28 PHOTOGRAPHING. THE COMMISSION MAY EXEMPT CERTAIN CATEGORIES
29 OF EMPLOYMENT FROM THIS PARAGRAPH.

30 (3) TWO YEARS FOLLOWING THE EFFECTIVE DATE OF THIS

1 SECTION, THE COMMISSION MAY ADOPT REGULATIONS TO ANNUALLY
2 INCREASE ANY FEE, CHARGE OR COST AUTHORIZED UNDER THIS ACT.

3 (4) THE COMMISSION OR DESIGNATED EMPLOYEE OF THE
4 COMMISSION SHALL HAVE THE POWER TO ADMINISTER OATHS AND
5 EXAMINE WITNESSES AND MAY ISSUE SUBPOENAS TO COMPEL
6 ATTENDANCE OF WITNESSES AND PRODUCTION OF ALL RELEVANT AND
7 MATERIAL REPORTS, BOOKS, PAPERS, DOCUMENTS, CORRESPONDENCE
8 AND OTHER EVIDENCE RELATED TO REGULATION AND ENFORCEMENT OF
9 HORSE RACING UNDER THIS ACT.

10 (5) THE COMMISSION'S CONSIDERATION AND RESOLUTION OF ALL
11 LICENSE OR PERMIT APPLICATIONS SHALL BE CONDUCTED IN
12 ACCORDANCE WITH 2 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND
13 PROCEDURE) OR WITH PROCEDURES ADOPTED BY ORDER OF THE
14 COMMISSION. NOTWITHSTANDING 2 PA.C.S. §§ 504 (RELATING TO
15 HEARING AND RECORD) AND 505 (RELATING TO EVIDENCE AND CROSS-
16 EXAMINATION), THE COMMISSION MAY ADOPT PROCEDURES TO PROVIDE
17 PARTIES BEFORE IT WITH A DOCUMENTARY HEARING AND MAY RESOLVE
18 DISPUTED MATERIAL FACTS WITHOUT CONDUCTING AN ORAL HEARING
19 WHERE CONSTITUTIONALLY PERMISSIBLE.

20 (6) THE COMMISSION MAY ENTER INTO INTERSTATE COMPACTS
21 WITH OTHER RACING JURISDICTIONS TO ESTABLISH:

22 (I) UNIFORM DRUG THRESHOLD LEVELS;

23 (II) CONSISTENT SANCTIONS FOR DRUG TESTING
24 VIOLATIONS; AND

25 (III) A SYSTEM TO MONITOR ADVANCED DEPOSIT WAGERING
26 AND ONLINE WAGERING COMPANY ACTIVITIES.

27 (7) THE COMMISSION MAY ISSUE GRANTS FROM THE ANNUAL
28 APPROPRIATIONS TO RACE HORSE RESCUE AND REHABILITATION
29 PROGRAMS OPERATING WITHIN THIS COMMONWEALTH.

30 (8) THE COMMISSION SHALL ENSURE THAT EACH LICENSED

1 RACING ENTITY'S RACETRACK SURFACE IS MAINTAINED IN SUCH A WAY
2 AS TO MAXIMIZE THE SAFETY OF THE HORSE, RIDER OR DRIVER. THE
3 COMMISSION MAY DEVELOP GUIDELINES TO CARRY OUT THIS
4 PARAGRAPH.

5 SECTION 203-A. BUDGET.

6 THE COMMISSION SHALL ANNUALLY SUBMIT AN ITEMIZED PROPOSED
7 BUDGET TO THE OFFICE OF THE BUDGET AND THE MAJORITY AND MINORITY
8 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE SENATE AND THE
9 MAJORITY AND MINORITY CHAIRMAN OF THE APPROPRIATIONS COMMITTEE
10 OF THE HOUSE OF REPRESENTATIVES CONSISTING OF AMOUNTS TO BE
11 APPROPRIATED FROM THE STATE RACING FUND, THE PENNSYLVANIA RACE
12 HORSE DEVELOPMENT FUND OR THE GENERAL FUND TO ADMINISTER AND
13 ENFORCE THIS ACT.

14 SECTION 204-A. LOCATION.

15 AFTER JANUARY 1, 2015, A LICENSED RACING ENTITY THAT HOLDS A
16 LICENSE ISSUED UNDER THIS ACT SHALL CONDUCT A HORSE RACE MEETING
17 AT THE LOCATION DESIGNATED AND APPROVED BY THE COMMISSION.

18 SECTION 205-A. NUMBER OF LICENSED RACING ENTITIES.

19 (A) STANDARDBRED HORSE RACING.--NO MORE THAN SIX PERSONS
20 SHALL BE LICENSED TO CONDUCT A PARI-MUTUEL MEET. NO PERSON
21 LICENSED UNDER THIS ACT TO CONDUCT STANDARDBRED HORSE RACING
22 WITH PARI-MUTUEL WAGERING SHALL BE LICENSED TO CONDUCT
23 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING.

24 (B) THOROUGHBRED HORSE RACING.--NO MORE THAN FIVE PERSONS
25 SHALL BE LICENSED BY THE COMMISSION TO CONDUCT PARI-MUTUEL
26 WAGERING. NO PERSON LICENSED UNDER THIS ACT TO CONDUCT
27 THOROUGHBRED HORSE RACING WITH PARI-MUTUEL WAGERING SHALL BE
28 LICENSED TO CONDUCT STANDARDBRED HORSE RACING WITH PARI-MUTUEL
29 WAGERING.

30 SECTION 206-A. DEPARTMENT OF REVENUE.

1 THE DEPARTMENT OF REVENUE SHALL PROVIDE FINANCIAL
2 ADMINISTRATION OF PARI-MUTUEL WAGERING UNDER THIS ACT IN
3 ACCORDANCE WITH DEPARTMENT OF REVENUE REGULATIONS AND
4 REGULATIONS OF THE COMMISSION. THE DEPARTMENT OF REVENUE SHALL
5 PRESCRIBE THE FORM AND SYSTEM OF ACCOUNTING TO BE USED BY
6 LICENSED RACING ENTITIES, AND MAY ACCESS AND EXAMINE RECORDS,
7 EQUIPMENT AND OTHER INFORMATION RELATING TO PARI-MUTUEL
8 WAGERING.

9 SECTION 207-A. ALLOCATION OF RACING DAYS.

10 (A) GENERAL RULE.--

11 (1) HORSE RACING SHALL BE CONDUCTED CONSISTENT WITH 4
12 PA.C.S. § 1303 (RELATING TO ADDITIONAL CATEGORY 1 SLOT
13 MACHINE LICENSE REQUIREMENTS).

14 (2) THE PROVISIONS OF THIS SECTION AND 4 PA.C.S. § 1303
15 (A) (2) AND (B) MAY BE WAIVED OR MODIFIED BY THE COMMISSION IF
16 THE WAIVER OR MODIFICATION HAS BEEN AGREED TO BY THE
17 HORSEMEN'S ORGANIZATION REPRESENTING A MAJORITY OF HORSE
18 OWNERS AND TRAINERS AT THE RACETRACK WHERE THE RACING DAYS
19 ARE TO BE SCHEDULED OR RACED.

20 (3) THE PROVISIONS OF 4 PA.C.S. § 1303(D) SHALL NOT
21 APPLY IF THE REASON FOR NONCOMPLIANCE WITH THAT SECTION BY A
22 LICENSED RACING ENTITY IS THE CANCELLATION OF RACING DAYS DUE
23 TO THE COMMISSION'S INABILITY TO PROPERLY REGULATE AND
24 OVERSEE THE CONDUCT OF HORSE RACING IN THIS COMMONWEALTH DUE
25 TO INADEQUATE FUNDING.

26 (B) CERTIFICATION.--THE COMMISSION SHALL SUBMIT TO THE
27 SECRETARY OF REVENUE THE APPROVED NUMBER OF RACING DAYS FOR EACH
28 LICENSED RACING ENTITY, INCLUDING THE FOLLOWING INFORMATION:

29 (1) THE NAMES AND ADDRESSES OF THE LICENSED RACING
30 ENTITY;

1 (2) THE NAMES AND ADDRESSES OF THE OWNERS, OFFICERS AND
2 GENERAL MANAGERS OF THE LICENSED RACING ENTITY; AND

3 (3) ANY OTHER INFORMATION THE COMMISSION DEEMS
4 APPROPRIATE.

5 (C) CANCELLATION.--

6 (1) IF A RACING DAY IS CANCELED BY A LICENSED RACING
7 ENTITY FOR REASONS BEYOND THE LICENSED RACING ENTITY'S
8 CONTROL, THE COMMISSION SHALL GRANT THE LICENSED RACING
9 ENTITY THE RIGHT TO CONDUCT THAT RACING DAY IN THE SAME OR
10 THE NEXT ENSUING CALENDAR YEAR, IF SCHEDULES PERMIT.

11 (2) A DIRECTOR OF A BUREAU ESTABLISHED UNDER SECTION
12 201-A, AFTER CONSULTATION WITH THE LICENSED RACING ENTITY AND
13 THE HORSEMEN'S ORGANIZATION REPRESENTING A MAJORITY OF HORSE
14 OWNERS AND TRAINERS AT THE RACETRACK, MAY CANCEL A RACE IF IT
15 IS DETERMINED THAT LESS THAN SIX HORSES HAVE ENTERED THE
16 RACE.

17 SECTION 208-A. LICENSES FOR HORSE RACE MEETINGS.

18 (A) PROCEDURE AND TERMS.--

19 (1) AFTER JANUARY 1, 2015, A PERSON SEEKING A LICENSE TO
20 CONDUCT HORSE RACE MEETINGS AT WHICH PARI-MUTUEL WAGERING IS
21 PERMITTED OR SEEKING TO RENEW THE LICENSE, SHALL FILE AN
22 APPLICATION OR RENEWAL APPLICATION WITH THE COMMISSION IN THE
23 MANNER PRESCRIBED BY THE COMMISSION.

24 (2) A LICENSED RACING ENTITY SHALL HAVE THE PRIVILEGE TO
25 CONDUCT A HORSE RACE MEETING AT WHICH PARI-MUTUEL WAGERING IS
26 PERMITTED. A LICENSE TO CONDUCT A HORSE RACE MEETING SHALL
27 NOT BE A PROPERTY RIGHT.

28 (3) THE COMMISSION MAY REVOKE OR SUSPEND THE LICENSE OF
29 A LICENSED RACING ENTITY IF THE COMMISSION FINDS THAT THE
30 LICENSED RACING ENTITY, ITS OWNERS, OFFICERS, MANAGERS OR

1 AGENTS, HAVE NOT COMPLIED WITH THIS ACT AND REGULATIONS
2 PROMULGATED IN ACCORDANCE WITH THIS ACT.

3 (4) A LICENSED RACING ENTITY MAY NOT TRANSFER A LICENSE
4 WITHOUT THE APPROVAL OF THE COMMISSION.

5 (B) CONDITIONS.--EACH HORSE RACING LICENSE SHALL BE ISSUED
6 UPON THE FOLLOWING CONDITIONS:

7 (1) A HORSE RACE MEETING AT WHICH PARI-MUTUEL WAGERING
8 IS CONDUCTED SHALL BE REGULATED BY THE COMMISSION.

9 (2) THE CONDUCT OF PARI-MUTUEL WAGERING SHALL ALSO BE
10 REGULATED BY THE DEPARTMENT OF REVENUE.

11 (3) THE LICENSED RACING ENTITY SHALL PRINT IN ITS RACING
12 PROGRAMS THE PROCEDURE FOR FILING A COMPLAINT WITH THE
13 COMMISSION.

14 (C) APPLICATIONS.--APPLICATIONS TO CONDUCT HORSE RACING
15 SHALL BE IN THE FORM PRESCRIBED BY THE COMMISSION AND SHALL
16 CONTAIN INFORMATION AS THE COMMISSION MAY REQUIRE.

17 (D) ACTION ON LICENSES.--THE FOLLOWING SHALL APPLY:

18 (1) THE COMMISSION SHALL BE PROHIBITED FROM ISSUING A
19 LICENSE TO CONDUCT HORSE RACING TO AN INDIVIDUAL OR APPLICANT
20 OR AN OWNER, OFFICER, DIRECTOR OR MANAGER OF THE APPLICANT
21 WHO HAS BEEN CONVICTED OF:

22 (I) A FELONY IN ANY JURISDICTION.

23 (II) A MISDEMEANOR GAMBLING OFFENSE IN ANY
24 JURISDICTION, UNLESS 15 YEARS HAS ELAPSED FROM THE DATE
25 OF CONVICTION.

26 (III) FRAUD OR MISREPRESENTATION IN ANY JURISDICTION
27 RELATED TO HORSE RACING OR HORSE BREEDING, UNLESS 15
28 YEARS HAS ELAPSED FROM THE DATE OF CONVICTION.

29 (IV) AN OFFENSE UNDER 18 PA.C.S. § 5511 (RELATING TO
30 CRUELTY TO ANIMALS).

1 (V) AN OFFENSE RELATED TO FIXING OR RIGGING HORSE
2 RACES, INCLUDING 18 PA.C.S. § 4109 (RELATING TO RIGGING
3 PUBLICLY EXHIBITED CONTEST) OR 7102 (RELATING TO
4 ADMINISTERING DRUGS TO RACE HORSES), OR ANY SIMILAR CRIME
5 IN ANOTHER JURISDICTION, UNLESS THE CONVICTION HAS BEEN
6 OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION
7 OF THE ORIGINAL FINDING OR A PARDON HAS BEEN ISSUED.

8 (2) FOLLOWING EXPIRATION OF ANY PERIOD APPLICABLE TO AN
9 APPLICANT UNDER PARAGRAPH (1) (II) OR (III), IN DETERMINING
10 WHETHER TO ISSUE A HORSE RACING LICENSE TO AN APPLICANT, THE
11 COMMISSION SHALL CONSIDER THE FOLLOWING FACTORS:

12 (I) THE INDIVIDUAL OR A PRINCIPAL OF THE APPLICANT'S
13 POSITION WITH THE APPLICANT.

14 (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE OR
15 CONDUCT.

16 (III) THE CIRCUMSTANCES UNDER WHICH THE OFFENSE OR
17 CONDUCT OCCURRED.

18 (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE OR
19 CONDUCT OCCURRED.

20 (V) WHETHER THE OFFENSE OR CONDUCT WAS AN ISOLATED
21 OR A REPEATED INCIDENT.

22 (VI) ANY EVIDENCE OF REHABILITATION, INCLUDING GOOD
23 CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC
24 TREATMENT RECEIVED AND THE RECOMMENDATIONS OF PERSONS WHO
25 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

26 (3) IF, IN THE JUDGMENT OF THE COMMISSION, THE APPLICANT
27 HAS DEMONSTRATED BY CLEAR AND CONVINCING EVIDENCE THAT THE
28 PARTICIPATION OF THE APPLICANT IN HORSE RACING OR RELATED
29 ACTIVITIES IS NOT:

30 (I) INCONSISTENT WITH THE PUBLIC INTEREST OR BEST

1 INTERESTS OF HORSE RACING;

2 (II) INTERFERING WITH THE EFFECTIVE REGULATION OF
3 HORSE RACING; OR

4 (III) CREATING OR ENHANCING THE DANGER OF
5 UNSUITABLE, UNFAIR OR ILLEGAL PRACTICES, METHODS OR
6 ACTIVITIES IN THE CONDUCT OF HORSE RACING.

7 (E) DENIAL, SUSPENSION OR REVOCATION.--THE COMMISSION MAY
8 DENY AN APPLICATION FOR A LICENSE OR REVOKE, SUSPEND OR FAIL TO
9 RENEW THE LICENSE OF ANY APPLICANT OR LICENSED RACING ENTITY, IF
10 THE COMMISSION FINDS BY A PREPONDERANCE OF THE EVIDENCE THAT:

11 (1) THE APPLICANT OR LICENSED RACING ENTITY, OR ANY OF
12 ITS OWNERS, ITS OFFICERS, DIRECTOR, MANAGERS, EMPLOYEES OR
13 AGENTS:

14 (I) HAS NOT COMPLIED WITH THE CONDITIONS, RULES,
15 REGULATIONS AND PROVISIONS OF THIS ACT AND THAT IT WOULD
16 BE IN THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY TO
17 DENY, REVOKE, SUSPEND OR NOT RENEW THE LICENSE.

18 (II) HAS BEEN CONVICTED OF A VIOLATION OR ATTEMPT TO
19 VIOLATE A HORSE RACING LAW, RULE OR REGULATION OF A HORSE
20 RACING JURISDICTION.

21 (III) HAS FURNISHED THE COMMISSION WITH FALSE OR
22 MISLEADING INFORMATION RELATING TO THE APPLICATION OR
23 LICENSE RENEWAL.

24 (2) THE APPLICANT OR LICENSED RACING ENTITY DOES NOT
25 HAVE THE USE OF A RACETRACK OR RACETRACK ENCLOSURE IN
26 ACCORDANCE WITH THE PROVISIONS OF 4 PA.C.S. PT. II (RELATING
27 TO GAMING).

28 (3) THE LICENSED RACING ENTITY HAS COMMINGLED HORSEMEN'S
29 FUNDS IN VIOLATION OF SECTION 235-A(C) OR HAS REFUSED TO
30 PLACE ON DEPOSIT A LETTER OF CREDIT UNDER SECTION 236-A.

1 (4) THE COMMISSION DETERMINES THAT THE LICENSED RACING
2 ENTITY HAS FAILED TO PROPERLY MAINTAIN ITS RACETRACK AND
3 RACETRACK ENCLOSURE IN GOOD CONDITION PURSUANT TO THIS ACT OR
4 TO PROVIDE ADEQUATE CAPITAL IMPROVEMENTS TO THE RACETRACK AND
5 RACETRACK ENCLOSURE AS REQUIRED UNDER THIS ACT AND 4 PA.C.S.
6 § 1404 (RELATING TO DISTRIBUTIONS FROM LICENSEE'S REVENUE
7 RECEIPTS).

8 (5) THE LICENSEE HAS BEEN CONVICTED IN ANY JURISDICTION
9 OF AN OFFENSE RELATED TO FIXING OR RIGGING HORSE RACES,
10 INCLUDING 18 PA.C.S. § 4109 OR 7102, OR ANY SIMILAR CRIME IN
11 ANOTHER JURISDICTION, UNLESS THE CONVICTION HAS BEEN
12 OVERTURNED ON APPEAL UNDER THE LAWS OF THE JURISDICTION OF
13 THE ORIGINAL FINDING OR A PARDON HAS BEEN ISSUED.

14 (F) CESSATION.--IF A REVOCATION OR FAILURE TO RENEW A
15 LICENSE UNDER SUBSECTION (E) OCCURS, THE LICENSEE'S
16 AUTHORIZATION TO CONDUCT PREVIOUSLY APPROVED ACTIVITY SHALL
17 IMMEDIATELY CEASE. IN THE CASE OF A SUSPENSION, THE LICENSEE'S
18 AUTHORIZATION TO CONDUCT PREVIOUSLY APPROVED ACTIVITY SHALL
19 IMMEDIATELY CEASE UNTIL THE COMMISSION HAS NOTIFIED THE LICENSEE
20 THAT THE SUSPENSION IS NO LONGER IN EFFECT.

21 (G) RENEWAL.--A LICENSE SHALL BE RENEWED EVERY THREE YEARS
22 AND MAY NOT BE TRANSFERED.

23 (H) CONDITIONAL LICENSES.--PENDING A FINAL DETERMINATION
24 UNDER THIS SECTION, THE COMMISSION MAY ISSUE A CONDITIONAL
25 LICENSE UPON THE TERMS AND CONDITIONS AS ARE NECESSARY TO
26 EFFECTUATE THE PROVISIONS OF THIS ACT.

27 (I) COMPLIANCE.--NOTHING IN THIS SECTION SHALL BE CONSTRUED
28 TO RELIEVE A LICENSED RACING ENTITY OF ITS DUTY TO COMPLY WITH
29 THE REQUIREMENTS OF 4 PA.C.S. PT. II.
30 SECTION 209-A. CODE OF CONDUCT.

1 (A) SCOPE.--THE COMMISSION SHALL ADOPT A COMPREHENSIVE CODE
2 OF CONDUCT PRIOR TO THE CONSIDERATION OF ANY LICENSE, PERMIT OR
3 REGISTRATION APPLICATION. THE CODE OF CONDUCT SHALL SUPPLEMENT
4 ALL OTHER REQUIREMENTS UNDER THIS PART AND 65 PA.C.S. PT. II
5 (RELATING TO ACCOUNTABILITY) AND SHALL PROVIDE GUIDELINES
6 APPLICABLE TO MEMBERS, EMPLOYEES OF THE COMMISSION, INDEPENDENT
7 CONTRACTORS AND THE IMMEDIATE FAMILY OF THE MEMBERS, EMPLOYEES
8 AND INDEPENDENT CONTRACTORS TO ENABLE THEM TO AVOID ANY
9 PERCEIVED OR ACTUAL CONFLICT OF INTEREST AND TO PROMOTE PUBLIC
10 CONFIDENCE IN THE INTEGRITY AND IMPARTIALITY OF THE COMMISSION.
11 AT A MINIMUM, THE CODE OF CONDUCT ADOPTED UNDER THIS SECTION
12 SHALL INCLUDE REGISTRATION OF LICENSED ENTITY REPRESENTATIVES
13 UNDER SUBSECTION (B) AND THE RESTRICTIONS UNDER SUBSECTIONS (C)
14 AND (D).

15 (B) REGISTRATION.--

16 (1) A LICENSED ENTITY REPRESENTATIVE SHALL REGISTER WITH
17 THE COMMISSION IN A MANNER PRESCRIBED BY THE COMMISSION,
18 WHICH SHALL INCLUDE THE NAME, EMPLOYER OR FIRM, BUSINESS
19 ADDRESS AND BUSINESS TELEPHONE NUMBER OF BOTH THE LICENSED
20 ENTITY REPRESENTATIVE AND ANY LICENSED RACING ENTITY,
21 APPLICANT FOR LICENSURE OR OTHER PERSON BEING REPRESENTED.

22 (2) A LICENSED ENTITY REPRESENTATIVE SHALL HAVE AN
23 AFFIRMATIVE DUTY TO UPDATE ITS REGISTRATION INFORMATION ON AN
24 ONGOING BASIS, AND FAILURE TO DO SO SHALL BE PUNISHABLE BY
25 THE COMMISSION.

26 (3) THE COMMISSION SHALL MAINTAIN A REGISTRATION LIST
27 WHICH SHALL CONTAIN THE INFORMATION REQUIRED UNDER PARAGRAPH
28 (1) AND WHICH SHALL BE AVAILABLE FOR PUBLIC INSPECTION AT THE
29 OFFICES OF THE COMMISSION AND ON THE COMMISSION'S INTERNET
30 WEBSITE.

1 (C) RESTRICTIONS.--IN ADDITION TO THE OTHER PROHIBITIONS
2 CONTAINED IN THIS CHAPTER, A COMMISSIONER SHALL:

3 (1) NOT ACCEPT ANY DISCOUNT, GIFT, GRATUITY,
4 COMPENSATION, TRAVEL, LODGING OR OTHER THING OF VALUE,
5 DIRECTLY OR INDIRECTLY, FROM ANY APPLICANT, LICENSED RACING
6 ENTITY, AFFILIATE, SUBSIDIARY OR INTERMEDIARY OF AN APPLICANT
7 OR A LICENSED RACING ENTITY, PERMITTEE, REGISTRANT OR
8 LICENSED ENTITY REPRESENTATIVE.

9 (2) DISCLOSE AND RECUSE HIMSELF FROM ANY HEARING OR
10 OTHER PROCEEDING IN WHICH THE COMMISSIONER'S OBJECTIVITY,
11 IMPARTIALITY, INTEGRITY OR INDEPENDENCE OF JUDGMENT MAY BE
12 REASONABLY QUESTIONED DUE TO THE COMMISSIONER'S RELATIONSHIP
13 OR ASSOCIATION WITH A PARTY CONNECTED TO ANY HEARING OR
14 PROCEEDING OR A PERSON APPEARING BEFORE THE COMMISSION.

15 (3) REFRAIN FROM ANY FINANCIAL OR BUSINESS DEALING WHICH
16 WOULD TEND TO REFLECT ADVERSELY ON THE COMMISSIONER'S
17 OBJECTIVITY, IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

18 (4) NOT HOLD OR CAMPAIGN FOR PUBLIC OFFICE, HOLD AN
19 OFFICE IN ANY POLITICAL PARTY OR POLITICAL COMMITTEE, AS
20 DEFINED IN 4 PA.C.S. § 1513(D) (RELATING TO POLITICAL
21 INFLUENCE), CONTRIBUTE TO OR SOLICIT CONTRIBUTIONS TO A
22 POLITICAL CAMPAIGN, POLITICAL PARTY, POLITICAL COMMITTEE OR
23 CANDIDATE, PUBLICLY ENDORSE A CANDIDATE OR ACTIVELY
24 PARTICIPATE IN A POLITICAL CAMPAIGN.

25 (5) AVOID IMPROPRIETY AND THE APPEARANCE OF IMPROPRIETY
26 AT ALL TIMES AND OBSERVE STANDARDS AND CONDUCT THAT PROMOTE
27 PUBLIC CONFIDENCE IN THE OVERSIGHT OF HORSE RACING.

28 (6) COMPLY WITH ANY OTHER LAWS, RULES OR REGULATIONS
29 RELATING TO THE CONDUCT OF A COMMISSIONER.

30 (D) EX PARTE COMMUNICATIONS.--

1 (1) A COMMISSIONER OR HEARING OFFICER MAY NOT ENGAGE IN
2 ANY EX PARTE COMMUNICATION WITH ANY PERSON.

3 (2) IF A COMMISSIONER OR HEARING OFFICER RECEIVES OR
4 ENGAGES IN AN EX PARTE COMMUNICATION, A COMMISSIONER OR
5 HEARING OFFICER SHALL INFORM THE DIRECTOR OF THE APPROPRIATE
6 BUREAU WHO SHALL NOTIFY ALL PARTIES DIRECTLY AFFECTED BY THE
7 ANTICIPATED VOTE OR ACTION OF THE COMMISSIONER OR HEARING
8 OFFICER RELATED TO THE EX PARTE COMMUNICATION OF THE
9 SUBSTANCE OF THE COMMUNICATION AND PROVIDE THE PARTIES WITH
10 AN OPPORTUNITY TO RESPOND.

11 (3) A COMMISSIONER OR HEARING OFFICER WHO ENGAGED IN OR
12 RECEIVED AN EX PARTE COMMUNICATION SHALL DISQUALIFY HIMSELF
13 FROM THE HEARING OR PROCEEDING RELATED TO THE EX PARTE
14 COMMUNICATION IF THE CONTEXT AND SUBSTANCE OF THE
15 COMMUNICATION CREATES SUBSTANTIAL REASONABLE DOUBT AS TO A
16 COMMISSIONER'S OR HEARING OFFICER'S ABILITY TO ACT
17 OBJECTIVELY, INDEPENDENTLY OR IMPARTIALLY.

18 (4) A COMMISSIONER OR HEARING OFFICER WHO ENGAGED IN OR
19 RECEIVED AN EX PARTE COMMUNICATION AND ELECTS NOT TO
20 DISQUALIFY HIMSELF FROM THE HEARING OR PROCEEDING SHALL STATE
21 THE REASONS FOR NOT DISQUALIFYING HIMSELF ON THE RECORD PRIOR
22 TO THE COMMENCEMENT OF THE HEARING OR PROCEEDING.

23 (5) IF A COMMISSIONER DISQUALIFIES HIMSELF UNDER THIS
24 SUBSECTION, A SUPERMAJORITY VOTE UNDER THIS ACT SHALL CONSIST
25 OF THE REMAINING COMMISSIONERS.

26 (6) FAILURE OF A HEARING OFFICER WHO RECEIVED OR ENGAGED
27 IN AN EX PARTE COMMUNICATION TO DISQUALIFY HIMSELF UNDER THIS
28 SUBSECTION SHALL BE GROUNDS FOR APPEAL TO THE COMMISSION.

29 (7) FAILURE OF A COMMISSIONER WHO RECEIVED OR ENGAGED IN
30 AN EX PARTE COMMUNICATION TO DISQUALIFY HIMSELF UNDER THIS

1 SUBSECTION SHALL BE GROUNDS FOR APPEAL TO A COURT OF
2 COMPETENT JURISDICTION IF THE COMMISSION ACTION BEING
3 APPEALED COULD NOT HAVE OCCURRED WITHOUT THE PARTICIPATION OF
4 THE COMMISSIONER.

5 (8) THIS SUBSECTION SHALL NOT PRECLUDE A COMMISSIONER
6 FROM CONSULTING WITH OTHER COMMISSIONERS INDIVIDUALLY IF THE
7 CONSULTATION COMPLIES WITH 65 PA.C.S. CH. 7 (RELATING TO OPEN
8 MEETINGS) OR WITH COMMISSION EMPLOYEES OR INDEPENDENT
9 CONTRACTORS WHOSE FUNCTIONS ARE TO ASSIST THE COMMISSION IN
10 CARRYING OUT ITS ADJUDICATIVE FUNCTIONS.

11 SECTION 210-A. FINANCIAL AND EMPLOYMENT INTERESTS.

12 NO OWNER, OFFICER, MANAGER OR EMPLOYEE OF AN APPLICANT OR
13 LICENSED RACING ENTITY OR THEIR IMMEDIATE FAMILY SHALL ACCEPT
14 GIFTS FROM BREEDERS, OWNERS, TRAINERS OR OTHER INDIVIDUALS WHO
15 PARTICIPATE IN THE CONDUCT OF HORSE RACING IN THIS COMMONWEALTH.
16 FOR PURPOSES OF THIS SECTION, THE TERM "IMMEDIATE FAMILY" SHALL
17 MEAN SPOUSE, PARENT, BROTHER, SISTER OR CHILD.

18 SECTION 211-A. OFFICIALS AT HORSE RACE MEETINGS.

19 THE COMMISSION SHALL APPROVE AND ASSIGN ALL QUALIFIED JUDGES
20 AND STARTERS FOR HORSE RACE MEETINGS. FOR STANDARD BRED HORSE
21 RACE MEETINGS, NO PERSON SHALL BE APPROVED OR ASSIGNED AS A
22 JUDGE OR STARTER UNLESS THE PERSON IS LICENSED BY THE UNITED
23 STATES TROTTING ASSOCIATION AS A DULY QUALIFIED PARI-MUTUEL RACE
24 MEETING OFFICIAL. ALL OFFICIALS SHALL ENFORCE THE LAW AND SHALL
25 PROVIDE WRITTEN REPORTS OF THE ACTIVITIES AND CONDUCT OF HORSE
26 RACE MEETINGS TO THE COMMISSION. THE COMPENSATION OF THESE
27 OFFICIALS SHALL BE PAID BY THE LICENSED RACING ENTITIES.

28 SECTION 212-A. (RESERVED).

29 SECTION 213-A. LICENSES FOR INDIVIDUALS.

30 (A) GENERAL RULE.--THE COMMISSION SHALL DEVELOP A LICENSING,

1 PERMITTING OR OTHER CLASSIFICATION SYSTEM FOR THE REGULATION OF
2 VENDORS, TRAINERS, JOCKEYS, DRIVERS, HORSEMEN'S ORGANIZATIONS,
3 HORSE OWNERS, BACKSIDE AREA EMPLOYEES AND OTHER INDIVIDUALS
4 PARTICIPATING IN HORSE RACING AND ALL OTHER PERSONS REQUIRED TO
5 BE LICENSED OR PERMITTED AS DETERMINED BY THE COMMISSION. THE
6 LICENSE SHALL NOT BE A PROPERTY RIGHT.

7 (B) FEE.--THE COMMISSION SHALL FIX AND MAY ESTABLISH CLASSES
8 FOR APPLICATION FEES TO BE PAID BY INDIVIDUALS. A LICENSE OR
9 PERMIT FEE SHALL NOT EXCEED \$500. ALL FEES SHALL BE PAID TO THE
10 COMMISSION AND DEPOSITED INTO THE STATE RACING FUND.

11 (C) APPLICATION.--THE APPLICATION FOR A LICENSE OR PERMIT
12 SHALL BE IN THE FORM AND CONTAIN THE INFORMATION AS THE
13 COMMISSION MAY REQUIRE.

14 (D) RENEWAL.--ALL LICENSES SHALL BE SUBJECT TO RENEWAL EVERY
15 THREE YEARS. NOTHING IN THIS ACT SHALL BE CONSTRUED TO RELIEVE A
16 LICENSEE OF THE AFFIRMATIVE DUTY TO NOTIFY THE COMMISSION OF ANY
17 CHANGES RELATING TO THE STATUS OF ITS LICENSE OR TO ANY OTHER
18 INFORMATION CONTAINED IN THE APPLICATION MATERIALS ON FILE WITH
19 THE COMMISSION. THE APPLICATION FOR RENEWAL SHALL BE SUBMITTED
20 AT LEAST 60 DAYS PRIOR TO EXPIRATION OF THE LICENSE AND SHALL
21 INCLUDE AN UPDATE OF THE INFORMATION CONTAINED IN THE INITIAL
22 APPLICATION AND ANY PRIOR RENEWAL APPLICATIONS AND THE PAYMENT
23 OF ANY RENEWAL FEE REQUIRED BY THE COMMISSION. A LICENSE FOR
24 WHICH A COMPLETED RENEWAL APPLICATION AND FEE, IF REQUIRED, HAS
25 BEEN RECEIVED BY THE COMMISSION SHALL CONTINUE IN EFFECT UNLESS
26 AND UNTIL THE COMMISSION SENDS WRITTEN NOTIFICATION TO THE
27 HOLDER OF THE LICENSE THAT THE COMMISSION HAS DENIED THE RENEWAL
28 OF THE LICENSE.

29 (E) LICENSES.--THE COMMISSION MAY ISSUE ONE OF THE
30 FOLLOWING:

1 (1) A TEMPORARY LICENSE FOR FOUR MONTHS WITHIN A 12-
2 MONTH PERIOD PENDING A FINAL DETERMINATION.

3 (2) A CONDITIONAL LICENSE UPON THE TERMS AND CONDITIONS
4 AS NECESSARY TO ADMINISTER THIS ACT.

5 (F) PROCESSING AND ISSUANCE.--THE COMMISSION SHALL ADOPT
6 REGULATIONS TO FIX THE MANNER BY WHICH LICENSES ARE PROCESSED
7 AND ISSUED.

8 (G) ACTION ON APPLICATIONS.--THE FOLLOWING SHALL APPLY:

9 (1) THE COMMISSION MAY NOT ISSUE A LICENSE OR PERMIT
10 UNDER THIS SECTION TO AN INDIVIDUAL WHO HAS BEEN CONVICTED IN
11 A JURISDICTION OF A FELONY OFFENSE, A MISDEMEANOR GAMBLING
12 OFFENSE OR A FRAUD OR MISREPRESENTATION IN CONNECTION WITH
13 HORSE RACING OR BREEDING, UNLESS 15 YEARS HAS PASSED FROM THE
14 DATE OF CONVICTION OF THE OFFENSE.

15 (2) FOLLOWING EXPIRATION OF A PERIOD APPLICABLE TO AN
16 APPLICANT UNDER PARAGRAPH (1), IN DETERMINING WHETHER TO
17 ISSUE A LICENSE OR PERMIT TO AN APPLICANT, THE COMMISSION
18 SHALL CONSIDER THE FOLLOWING FACTORS:

19 (I) THE NATURE OF THE APPLICANT'S INVOLVEMENT WITH
20 HORSE RACING.

21 (II) THE NATURE AND SERIOUSNESS OF THE OFFENSE OR
22 CONDUCT.

23 (III) THE CIRCUMSTANCES UNDER WHICH THE OFFENSE OR
24 CONDUCT OCCURRED.

25 (IV) THE AGE OF THE APPLICANT WHEN THE OFFENSE OR
26 CONDUCT OCCURRED.

27 (V) WHETHER THE OFFENSE OR CONDUCT WAS AN ISOLATED
28 OR A REPEATED INCIDENT.

29 (VI) ANY EVIDENCE OF REHABILITATION, INCLUDING GOOD
30 CONDUCT IN THE COMMUNITY, COUNSELING OR PSYCHIATRIC

1 TREATMENT RECEIVED AND THE RECOMMENDATIONS OF PERSONS WHO
2 HAVE SUBSTANTIAL CONTACT WITH THE APPLICANT.

3 (G.1) DENIAL.--THE COMMISSION MAY DENY AN APPLICATION FOR A
4 LICENSE OR PERMIT OR SUSPEND, REVOKE OR REFUSE TO RENEW A
5 LICENSE OR PERMIT ISSUED UNDER THIS SECTION IF IT DETERMINES
6 THAT THE APPLICANT, LICENSEE OR PERMITTEE MEETS ANY OF THE
7 FOLLOWING:

8 (1) (RESERVED).

9 (2) HAS BEEN CONVICTED OF ANY VIOLATION OR ATTEMPTS TO
10 VIOLATE ANY LAW, RULE OR REGULATION OF HORSE RACING IN ANY
11 JURISDICTION.

12 (3) HAS BEEN CONVICTED OF AN OFFENSE UNDER 18 PA.C.S. §
13 5511 (RELATING TO CRUELTY TO ANIMALS).

14 (4) HAS VIOLATED A RULE, REGULATION OR ORDER OF THE
15 COMMISSION.

16 (5) HAS BEEN CONVICTED IN ANY JURISDICTION OF AN OFFENSE
17 RELATED TO FIXING OR RIGGING HORSE RACES, INCLUDING 18
18 PA.C.S. § 4109 (RELATING TO RIGGING PUBLICLY EXHIBITED
19 CONTEST), 18 PA.C.S. § 7102 (RELATING TO ADMINISTERING DRUGS
20 TO RACE HORSES) OR ANY SIMILAR CRIME IN ANY OTHER
21 JURISDICTION, UNLESS THE CONVICTION HAS BEEN OVERTURNED ON
22 APPEAL UNDER THE LAWS OF THE JURISDICTION OF THE ORIGINAL
23 FINDING OR A PARDON HAS BEEN ISSUED.

24 (6) HAS NOT DEMONSTRATED BY CLEAR AND CONVINCING
25 EVIDENCE THAT THE APPLICANT OR LICENSEE:

26 (I) IS A PERSON OF GOOD CHARACTER, HONESTY AND
27 INTEGRITY.

28 (II) IS A PERSON WHOSE PRIOR ACTIVITIES, CRIMINAL
29 RECORD, IF ANY, REPUTATION, HABITS, AND ASSOCIATIONS:

30 (A) DO NOT POSE A THREAT TO THE PUBLIC INTEREST

1 OR THE EFFECTIVE REGULATION AND CONTROL OF HORSE
2 RACING.

3 (B) DO NOT CREATE OR ENHANCE THE DANGER OF
4 UNSUITABLE, UNFAIR OR ILLEGAL PRACTICES, METHODS AND
5 ACTIVITIES IN THE CONDUCT OF HORSE RACING OR THE
6 CARRYING ON OF THE BUSINESS AND FINANCIAL
7 ARRANGEMENTS INCIDENTAL TO THE CONDUCT OF HORSE
8 RACING.

9 (H) INSPECTION.--THE COMMISSION SHALL HAVE THE RIGHT TO
10 INSPECT ALL CONTRACTS BETWEEN LICENSED RACING ENTITIES AND
11 VENDORS FOR GOODS AND SERVICES. THE COMMISSION SHALL ADOPT
12 REGULATIONS TO REQUIRE VENDORS TO DISCLOSE ALL PRINCIPAL OWNERS
13 AND OFFICERS AND A DESCRIPTION OF THEIR INTERESTS IN THE
14 VENDORS' BUSINESS. FAILURE TO DISCLOSE THIS INFORMATION SHALL
15 CONSTITUTE GROUNDS TO DENY, TO REVOKE OR TO SUSPEND ANY VENDOR'S
16 LICENSE ISSUED UNDER THIS ACT.

17 (I) REVOCATION OR FAILURE TO RENEW.--IN THE EVENT OF A
18 REVOCATION OR FAILURE TO RENEW, THE APPLICANT'S AUTHORIZATION TO
19 CONDUCT PREVIOUSLY APPROVED ACTIVITY SHALL IMMEDIATELY CEASE AND
20 ALL FEES PAID IN CONNECTION THEREWITH SHALL BE DEEMED TO BE
21 FORFEITED. IN THE EVENT OF A SUSPENSION, THE APPLICANT'S
22 AUTHORIZATION TO CONDUCT THE PREVIOUSLY APPROVED ACTIVITY SHALL
23 IMMEDIATELY CEASE UNTIL THE COMMISSION HAS NOTIFIED THE
24 APPLICANT THAT THE SUSPENSION IS NO LONGER IN EFFECT.

25 (J) HEARINGS.--THE COMMISSION MAY SUSPEND A LICENSE UNDER
26 SUBSECTION (I) PENDING A HEARING ON THE MATTER, WHICH MUST OCCUR
27 WITHIN TEN DAYS OF THE SUSPENSION.

28 (K) RECIPROCITY.--THE COMMISSION SHALL NOT GRANT LICENSES TO
29 RESIDENTS OF STATES THAT PROHIBIT THE GRANT OF LICENSES TO
30 RESIDENTS OF THIS COMMONWEALTH ON THE BASIS OF IN-STATE

1 PREFERENCE.

2 (L) CRIMINAL ACTION.--

3 (1) EACH DISTRICT ATTORNEY SHALL HAVE AUTHORITY TO
4 INVESTIGATE AND TO INSTITUTE CRIMINAL PROCEEDINGS FOR A
5 VIOLATION OF THIS ACT.

6 (2) IN ADDITION TO THE AUTHORITY CONFERRED UPON THE
7 ATTORNEY GENERAL UNDER THE ACT OF OCTOBER 15, 1980 (P.L.950,
8 NO.164), KNOWN AS THE COMMONWEALTH ATTORNEYS ACT, THE
9 ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO INVESTIGATE AND,
10 FOLLOWING CONSULTATION WITH THE APPROPRIATE DISTRICT
11 ATTORNEY, TO INSTITUTE CRIMINAL PROCEEDINGS FOR A VIOLATION
12 OF THIS ACT. A PERSON CHARGED WITH A VIOLATION OF THIS ACT BY
13 THE ATTORNEY GENERAL SHALL NOT HAVE STANDING TO CHALLENGE THE
14 AUTHORITY OF THE ATTORNEY GENERAL TO INVESTIGATE OR PROSECUTE
15 THE CASE, AND, IF ANY SUCH CHALLENGE IS MADE, THE CHALLENGE
16 SHALL BE DISMISSED AND NO RELIEF SHALL BE AVAILABLE IN THE
17 COURTS OF THIS COMMONWEALTH TO THE PERSON MAKING THE
18 CHALLENGE.

19 (M) REGULATORY ACTION.--NOTHING CONTAINED IN SUBSECTION (L)
20 SHALL BE CONSTRUED TO LIMIT THE EXISTING REGULATORY OR
21 INVESTIGATIVE AUTHORITY OF AN AGENCY OR THE COMMONWEALTH WHOSE
22 FUNCTIONS RELATE TO PERSONS OR MATTERS WITHIN THE SCOPE OF THIS
23 PART.

24 (N) INSPECTION, SEIZURE AND WARRANTS.--

25 (1) THE COMMISSION, THE ATTORNEY GENERAL AND THE
26 PENNSYLVANIA STATE POLICE SHALL HAVE THE AUTHORITY WITHOUT
27 NOTICE AND WITHOUT WARRANT TO DO ALL OF THE FOLLOWING IN THE
28 PERFORMANCE OF THEIR DUTIES:

29 (I) INSPECT AND EXAMINE ALL PREMISES WHERE HORSE
30 RACING IS CONDUCTED, OR WHERE RECORDS OF THESE ACTIVITIES

1 ARE PREPARED OR MAINTAINED.

2 (II) INSPECT ALL EQUIPMENT AND SUPPLIES IN, ABOUT,
3 UPON OR AROUND PREMISES REFERRED TO IN SUBPARAGRAPH (I).

4 (III) SEIZE, SUMMARILY REMOVE AND IMPOUND EQUIPMENT
5 AND SUPPLIES FROM PREMISES REFERRED TO IN SUBPARAGRAPH
6 (I) FOR THE PURPOSES OF EXAMINATION AND INSPECTION.

7 (IV) INSPECT, EXAMINE AND AUDIT ALL BOOKS, RECORDS
8 AND DOCUMENTS PERTAINING TO A LICENSEE'S OPERATION.

9 (V) SEIZE, IMPOUND OR ASSUME PHYSICAL CONTROL OF ANY
10 BOOK, RECORD, LEDGER OR DEVICE.

11 (2) THE PROVISIONS OF PARAGRAPH (1) SHALL NOT BE DEEMED
12 TO LIMIT WARRANTLESS INSPECTIONS EXCEPT IN ACCORDANCE WITH
13 CONSTITUTIONAL REQUIREMENTS.

14 (3) TO FURTHER EFFECTUATE THE PURPOSES OF THIS CHAPTER,
15 THE COMMISSION AND THE PENNSYLVANIA STATE POLICE MAY OBTAIN
16 ADMINISTRATIVE WARRANTS FOR THE INSPECTION AND SEIZURE OF
17 PROPERTY POSSESSED, CONTROLLED, BAILED OR OTHERWISE HELD BY
18 AN APPLICANT, LICENSEE, PERMITTEE, INTERMEDIARY, SUBSIDIARY,
19 AFFILIATE OR HOLDING COMPANY.

20 SECTION 214-A. PROVIDERS.

21 (A) TOTALISATOR.--BEGINNING AT THE RENEWAL OF AN EXISTING
22 CONTRACT OR EXECUTION OF A NEW CONTRACT, A PERSON THAT PROVIDES
23 TOTALISATOR SERVICES TO A LICENSED PERSON LOCATED IN THIS
24 COMMONWEALTH SHALL BE LICENSED BY THE COMMISSION AND REMIT AN
25 ANNUAL LICENSE FEE NOT TO EXCEED \$100,000. THE LICENSE FEE SHALL
26 BE DEPOSITED IN THE STATE RACING FUND. THE PROVIDER SHALL SUBMIT
27 INFORMATION ON OPERATING SYSTEMS AND PROCEDURES AS REQUIRED BY
28 THE COMMISSION.

29 (B) (RESERVED).

30 SECTION 215-A. POWER OF COMMISSION TO IMPOSE FINES.

1 (A) GENERAL RULE.--THE COMMISSION MAY IMPOSE ADMINISTRATIVE
2 FINES UPON ANY LICENSED OR UNLICENSED RACING ENTITY, ASSOCIATION
3 OR PERSON PARTICIPATING IN HORSE RACING AT WHICH PARI-MUTUEL
4 WAGERING IS CONDUCTED, OTHER THAN AS A PATRON, FOR A VIOLATION
5 OF ANY PROVISION OF THIS ACT OR RULE OR REGULATION OF THE
6 COMMISSION, NOT EXCEEDING \$100,000 FOR EACH VIOLATION. EACH DAY
7 MAY BE CONSIDERED A SEPARATE VIOLATION. FINES SHALL BE DEPOSITED
8 IN THE STATE RACING FUND AND MAY BE APPROPRIATED FOR THE
9 ENFORCEMENT OF THIS ACT.

10 (B) INTERESTS.--

11 (1) NO OWNER, OFFICER OR EMPLOYEE OF A LICENSED RACING
12 ENTITY OR THEIR IMMEDIATE FAMILY SHALL HAVE ANY DIRECT OR
13 INDIRECT INTEREST IN A RACE HORSE THAT IS PARTICIPATING IN A
14 RACE AT A MEET AT WHICH THE PERSON OR RELATIVE LISTED UNDER
15 THIS PARAGRAPH HOLDS ANY INTEREST IN THE LICENSED RACING
16 ENTITY CONDUCTING THE MEET OR IN THE RACETRACK FACILITY. FOR
17 THE PURPOSES OF THIS PARAGRAPH, THE TERM "IMMEDIATE FAMILY"
18 SHALL MEAN SPOUSE, PARENT, BROTHER, SISTER OR CHILD.

19 (2) THE COMMISSION SHALL IMPOSE A FINE UPON ANY PERSON
20 FOR A VIOLATION OF THIS SUBSECTION IN ACCORDANCE WITH
21 SUBSECTION (A).

22 SECTION 216-A. ADMISSION TO RACETRACK.

23 (A) POWER OF LICENSED RACING ENTITY.--EXCEPT AS PROVIDED IN
24 SUBSECTION (B), A LICENSED RACING ENTITY MAY REFUSE ADMISSION TO
25 AND EJECT FROM THE ENCLOSURE OF THE RACETRACK OPERATED BY THE
26 LICENSED RACING ENTITY, ANY PERSON LICENSED BY THE COMMISSION
27 UNDER THIS ACT AND EMPLOYED AT AN OCCUPATION AT THE RACETRACK IF
28 THE PERSON'S PRESENCE IS DEEMED DETRIMENTAL TO THE BEST
29 INTERESTS OF HORSE RACING AND AFTER CITING THE REASONS FOR THE
30 DETERMINATION. THE ACTION OF THE LICENSED RACING ENTITY, IF

1 REFUSING THE PERSON ADMISSION TO OR EJECTING THE PERSON FROM A
2 RACE MEETING GROUND OR ENCLOSURE, SHALL HAVE IMMEDIATE EFFECT.
3 THE PERSON REFUSED ADMISSION OR EJECTED SHALL RECEIVE A HEARING
4 BEFORE THE COMMISSION, IF REQUESTED, PURSUANT TO RULES AND
5 REGULATIONS ADOPTED FOR THAT PURPOSE BY THE COMMISSION AND A
6 DECISION RENDERED FOLLOWING THAT HEARING.

7 (B) ADMISSION.--A LICENSED RACING ENTITY MAY NOT REFUSE
8 ADMISSION TO OR EJECT A LAW ENFORCEMENT OFFICIAL, COMMISSION
9 MEMBER OR EMPLOYEE OR EMPLOYEE OF THE DEPARTMENT OF REVENUE
10 WHILE THE OFFICIAL IS ENGAGED IN THE PERFORMANCE OF THE
11 INDIVIDUAL'S OFFICIAL DUTIES.

12 SECTION 217-A. SECURITY PERSONNEL.

13 (A) GENERAL RULE.--THE COMMISSION SHALL REQUIRE LICENSED
14 RACING ENTITIES TO EMPLOY PERSONS AS SECURITY. DESIGNATED
15 SECURITY PERSONNEL:

16 (1) SHALL REFER POSSIBLE VIOLATIONS OF THE CRIMINAL LAWS
17 OF THIS COMMONWEALTH WITHIN THE RACETRACK OR ENCLOSURE TO LAW
18 ENFORCEMENT.

19 (2) MAY INTERROGATE, EJECT OR EXCLUDE FROM THE RACETRACK
20 OR ENCLOSURE ANY PERSONS SUSPECTED OF VIOLATING A RULE OR
21 REGULATION PROMULGATED BY THE COMMISSION IN ACCORDANCE WITH
22 SECTION 216-A, OR ANY PERSON WHOSE PRESENCE THIS IS, IN THE
23 JUDGMENT OF THE COMMISSION, INCONSISTENT WITH ORDERLY OR
24 PROPER CONDUCT OF A RACE MEETING OR WHOSE PRESENCE OR CONDUCT
25 IS DEEMED DETRIMENTAL TO THE BEST INTERESTS OF HORSED RACING.

26 (3) MAY NOT INTERROGATE, EJECT OR EXCLUDE FROM THE
27 RACETRACK OR ENCLOSURE ANY PERSON BECAUSE OF THE RACE, CREED,
28 COLOR, SEX, SEXUAL ORIENTATION, NATIONAL ORIGIN OR RELIGION
29 OF THAT PERSON.

30 (B) PENALTY.--AN INDIVIDUAL FOUND WITHIN A RACETRACK OR

1 ENCLOSURE AFTER HAVING BEEN EJECTED THEREFROM SHALL, UPON
2 CONVICTION, BE GUILTY OF A SUMMARY OFFENSE AND BE SENTENCED TO
3 PAY A FINE OF NOT MORE THAN \$500.

4 SECTION 218-A. INTERSTATE SIMULCASTING.

5 THE COMMISSION MAY APPROVE THE APPLICATION OF A LICENSED
6 RACING ENTITY TO ELECTRONICALLY TELEWISE SIMULCASTS OF HORSE
7 RACES TO BE OPERATED BY THE LICENSED RACING ENTITY AT THE
8 RACETRACK ENCLOSURE WHERE A HORSE RACE IS BEING CONDUCTED
9 DURING, BETWEEN, BEFORE OR AFTER POSTED RACES FOR THAT RACING
10 DAY. EACH SIMULCAST OF HORSE RACES FROM OUTSIDE THIS
11 COMMONWEALTH SHALL COMPLY WITH THE INTERSTATE HORSERACING ACT OF
12 1978 (PUBLIC LAW 95-515, 15 U.S.C. § 3001 ET SEQ.). ALL FORMS OF
13 PARI-MUTUEL WAGERING UNDER SECTION 221-A SHALL BE ALLOWED ON
14 HORSE RACES TO BE TELEVISED BY SIMULCASTING. THE COMMISSION
15 SHALL PROMULGATE REGULATIONS REGARDING THE WAGERING AND THE
16 OPERATION OF INTERSTATE SIMULCASTING OF HORSE RACING. ALL MONEY
17 WAGERED ON HORSE RACES SHALL BE COMPUTED IN THE AMOUNT OF MONEY
18 WAGERED EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION
19 224-A.

20 SECTION 219-A. TELEVISED SIMULCASTINGS.

21 (A) HOST LICENSEES.--UPON REQUEST BY A LICENSED RACING
22 ENTITY, THE COMMISSION MAY DESIGNATE THE ENTITY AS A HOST
23 LICENSEE, AUTHORIZED TO MAINTAIN COMMON PARI-MUTUEL POOLS ON
24 INTERNATIONAL AND INTERSTATE RACES TRANSMITTED TO AND FROM THE
25 RACETRACK ENCLOSURES WITHIN THIS COMMONWEALTH. ALL SIMULCASTS OF
26 HORSE RACES SHALL COMPLY WITH THE PROVISIONS OF THE INTERSTATE
27 HORSERACING ACT OF 1978 (PUBLIC LAW 95-515, 15 U.S.C. § 3001 ET
28 SEQ.) AND THE LAWS OF EACH STATE INVOLVED, PLACED OR TRANSMITTED
29 BY AN INDIVIDUAL IN ONE STATE VIA TELEPHONE, INTERNET OR OTHER
30 ELECTRONIC MEDIA AND ACCEPTED AND MAINTAINED IN COMMON PARI-

1 MUTUEL POOLS. THE DESIGNATION AS A HOST LICENSEE FOR
2 INTERNATIONAL AND INTERSTATE SIMULCAST RACES SHALL BE LIMITED TO
3 LICENSED RACING ENTITIES WHICH COMPLY WITH 4 PA.C.S. § 1303(D)
4 (RELATING TO ADDITIONAL CATEGORY 1 SLOT MACHINE LICENSE
5 REQUIREMENTS).

6 (B) SIMULCASTS.--THE FOLLOWING APPLY:

7 (1) CROSS SIMULCASTING OF THE RACES DESCRIBED IN
8 SUBSECTION (A) SHALL BE PERMITTED IF ALL AMOUNTS WAGERED ON
9 THE RACES IN THIS COMMONWEALTH ARE INCLUDED IN COMMON PARI-
10 MUTUEL POOLS. A HOST LICENSEE SEEKING PERMISSION TO CROSS
11 SIMULCAST MUST OBTAIN APPROVAL FROM THE COMMISSION.

12 (2) FORMS OF PARI-MUTUEL WAGERING SHALL BE ALLOWED ON
13 HORSE RACES TO BE TELEVISED BY SIMULCASTING. THE COMMISSION
14 MAY PERMIT PARI-MUTUEL POOLS IN THIS COMMONWEALTH TO BE
15 COMBINED WITH PARI-MUTUEL POOLS CREATED UNDER THE LAWS OF
16 ANOTHER JURISDICTION AND MAY PERMIT PARI-MUTUEL POOLS CREATED
17 UNDER THE LAWS OF ANOTHER JURISDICTION TO BE COMBINED WITH
18 PARI-MUTUEL POOLS IN THIS COMMONWEALTH. THE COMMISSION SHALL
19 PROMULGATE REGULATIONS NECESSARY TO REGULATE WAGERING ON
20 TELEVISED SIMULCASTS.

21 (C) TAXATION.--MONEY WAGERED BY PATRONS IN THIS COMMONWEALTH
22 ON HORSE RACES SHALL BE COMPUTED BY THE AMOUNT OF MONEY WAGERED
23 EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION 224-A.
24 THOROUGHBRED RACES SHALL BE CONSIDERED A PART OF A THOROUGHBRED
25 HORSE RACE MEETING AND STANDARD BRED HORSE RACES SHALL BE
26 CONSIDERED A PART OF A STANDARD BRED HORSE RACE MEETING.
27 SECTION 220-A. PLACE AND MANNER OF CONDUCTING PARI-MUTUEL
28 WAGERING.

29 (A) WAGERING LOCATION.--A LICENSED RACING ENTITY SHALL
30 PROVIDE A LOCATION DURING A HORSE RACE MEETING WITHIN THE

1 RACETRACK ENCLOSURE WHERE THE LICENSED RACING ENTITY SHALL
2 OPERATE THE PARI-MUTUEL SYSTEM OF WAGERING BY ITS PATRONS ON THE
3 RESULTS OF HORSE RACES HELD AT THE RACETRACK OR TELEVISED TO THE
4 RACETRACK ENCLOSURE BY SIMULCASTING UNDER SECTION 219-A. THE
5 LICENSED RACING ENTITY SHALL ERECT A SIGN OR BOARD COMPATIBLE
6 WITH THE TOTALISATOR SYSTEMS WHICH SHALL DISPLAY ALL OF THE
7 FOLLOWING:

8 (1) THE APPROXIMATE STRAIGHT ODDS ON EACH HORSE IN ANY
9 RACE.

10 (2) THE VALUE OF A WINNING MUTUEL TICKET, STRAIGHT,
11 PLACE OR SHOW ON THE FIRST THREE HORSES IN THE RACE.

12 (3) THE ELAPSED TIME OF THE RACE.

13 (4) THE VALUE OF A WINNING DAILY DOUBLE TICKET, IF A
14 DAILY DOUBLE IS CONDUCTED, AND ANY OTHER INFORMATION THAT THE
15 COMMISSION DEEMS NECESSARY TO INFORM THE GENERAL PUBLIC.

16 (B) EQUIPMENT.--THE COMMISSION MAY TEST AND EXAMINE THE
17 EQUIPMENT TO BE USED FOR THE DISPLAY OF THE INFORMATION UNDER
18 SUBSECTION (A).

19 (C) ELECTRONIC WAGERING.--A LICENSED RACING ENTITY MAY
20 OPERATE ELECTRONIC WAGERING ON HORSE RACING IN ACCORDANCE WITH
21 ALL OF THE FOLLOWING:

22 (1) MESSAGES TO PLACE WAGERS SHALL BE TO A PLACE WITHIN
23 THE RACETRACK ENCLOSURE.

24 (2) MONEY USED TO PLACE WAGERS UNDER THIS SUBSECTION
25 SHALL BE ON DEPOSIT IN AN AMOUNT SUFFICIENT TO COVER THE
26 WAGER AT THE RACETRACK WHERE THE ACCOUNT IS OPENED.

27 THE COMMISSION MAY PROMULGATE REGULATIONS NECESSARY TO REGULATE
28 ELECTRONIC WAGERING FOR HORSE RACING.

29 (D) TAXATION.--MONEY WAGERED AS A RESULT OF ELECTRONIC
30 WAGERING SHALL BE INCLUDED IN THE AMOUNT WAGERED EACH RACING DAY

1 FOR PURPOSES OF TAXATION UNDER SECTION 224-A AND SHALL BE
2 INCLUDED IN THE SAME PARI-MUTUEL POOLS FOR EACH POSTED RACE.
3 ELECTRONIC WAGERING SHALL BE OPERATED BY THE LICENSED RACING
4 ENTITY OR BY A DULY LICENSED VENDOR.

5 (E) CONDITIONS.--

6 (1) A LICENSED RACING ENTITY SHALL ONLY ACCEPT AND
7 TABULATE A WAGER BY A DIRECT REQUEST VIA ELECTRONIC MEDIA
8 FROM THE HOLDER OF AN ELECTRONIC WAGERING ACCOUNT. ONLY THE
9 HOLDER OF THE ELECTRONIC WAGERING ACCOUNT SHALL PLACE A
10 WAGER.

11 (2) ANY PERSON WHO VIOLATES THIS SUBSECTION COMMITS A
12 MISDEMEANOR OF THE FIRST DEGREE.

13 (F) PRIMARY MARKET AREA.--

14 (1) NO LICENSED RACING ENTITY MAY ACCEPT A WAGER OR
15 ESTABLISH ELECTRONIC WAGERING FOR ANY PERSON LOCATED IN THE
16 PRIMARY MARKET AREA OF A RACETRACK, OTHER THAN THE RACETRACK
17 AT WHICH THE LICENSED RACING ENTITY IS CONDUCTING A RACE
18 MEETING.

19 (2) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO
20 PROHIBIT A LICENSED RACING ENTITY FROM ACCEPTING A WAGER FROM
21 OR ESTABLISHING AN ELECTRONIC WAGERING ACCOUNT FOR ANY PERSON
22 LOCATED IN THE PRIMARY MARKET AREA OF THE RACETRACK WHERE THE
23 LICENSED RACING ENTITY IS CONDUCTING A MEET. IF TWO TRACKS
24 SHARE THE PRIMARY MARKET AREA, BOTH RACETRACKS SHALL HAVE
25 EQUAL RIGHTS TO THE MARKET IN THE SHARED AREA.

26 SECTION 221-A. PARI-MUTUEL WAGERING AT NONPRIMARY LOCATIONS.

27 (A) NONPRIMARY LOCATIONS.--THE FOLLOWING SHALL APPLY:

28 (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT,
29 BEGINNING JANUARY 2015, THE COMMISSION MAY APPROVE A LICENSED
30 RACING ENTITY TO CONTINUE TO OPERATE A NONPRIMARY LOCATION

1 WHERE IT HAS CONDUCTED PARI-MUTUEL WAGERING ON HORSE RACES
2 CONDUCTED BY THE LICENSED RACING ENTITY. THE LICENSED RACING
3 ENTITY MAY CONTINUE TO CONDUCT PARI-MUTUEL WAGERING AT THE
4 LOCATION ON HORSE RACES CONDUCTED BY ANOTHER LICENSED RACING
5 ENTITY, WHICH HORSE RACES MAY BE TELEVISED TO THE LOCATION OR
6 ON HORSE RACES SIMULCAST TO THE LOCATION UNDER SECTION 216-A,
7 PROVIDED THAT:

8 (I) A LICENSED RACING ENTITY HAS NOT ESTABLISHED A
9 NONPRIMARY LOCATION WITHIN THE PRIMARY MARKET AREA OF ANY
10 RACETRACK OTHER THAN A RACETRACK WHERE THE LICENSED
11 RACING ENTITY CONDUCTS HORSE RACE MEETINGS. ESTABLISHMENT
12 OF A NONPRIMARY LOCATION BY A LICENSED RACING ENTITY
13 WITHIN THE PRIMARY MARKET AREA OF A RACETRACK WHERE THE
14 LICENSED RACING ENTITY CONDUCTS HORSE RACE MEETINGS SHALL
15 REQUIRE APPROVAL OF THE COMMISSION.

16 (II) A LICENSED RACING ENTITY HAS NOT ESTABLISHED A
17 NONPRIMARY LOCATION WITHIN THE SECONDARY MARKET AREA OF A
18 RACETRACK IF THE NONPRIMARY LOCATION IS APPROVED BY THE
19 COMMISSION.

20 (III) A LICENSED RACING ENTITY HAS NOT ESTABLISHED A
21 NONPRIMARY LOCATION IN AN AREA OUTSIDE THE PRIMARY AND
22 SECONDARY MARKET AREAS OF ANY RACETRACK IF THE LOCATION
23 IS APPROVED BY THE COMMISSION.

24 (2) EXCEPT AS PROVIDED UNDER PARAGRAPH (1), NO
25 ADDITIONAL LICENSES SHALL BE PERMITTED.

26 (3) THE COMMISSION SHALL ANNUALLY CONDUCT INSPECTIONS OF
27 THE PRIMARY FACILITY.

28 (4) THE REGULATORY AUTHORITY OF THE COMMISSION SHALL
29 APPLY TO NONPRIMARY LOCATIONS AND ANY EMPLOYEES OR VENDORS OF
30 THE LICENSED RACING ENTITY ESTABLISHING THE NONPRIMARY

1 LOCATION.

2 (B) TAXATION AND RECORDS.--MONEY WAGERED AT ALL PRIMARY AND
3 NONPRIMARY LOCATIONS UNDER THIS ACT SHALL BE INCLUDED IN COMMON
4 PARI-MUTUEL POOLS. MONEY WAGERED BY PATRONS ON THE RACES SHALL
5 BE COMPUTED BY THE AMOUNT OF MONEY WAGERED EACH RACING DAY FOR
6 PURPOSES OF TAXATION UNDER SECTION 224-A. THE LICENSED RACING
7 ENTITY CONDUCTING THE RACE MEETING AND MAINTAINING THE PARI-
8 MUTUEL POOLS SHALL MAINTAIN ACCURATE RECORDS OF THE AMOUNT
9 WAGERED IN EACH POOL FROM EVERY PRIMARY AND NONPRIMARY LOCATION.

10 (C) RETENTION.--MONEY RETAINED UNDER SECTION 224-A SHALL BE
11 CALCULATED FOR EACH LOCATION WHERE PARI-MUTUEL WAGERING IS BEING
12 CONDUCTED. IF WAGERING HAS TAKEN PLACE AT A NONPRIMARY LOCATION
13 WHERE THE WAGERING IS CONDUCTED BY A LICENSED RACING ENTITY
14 OTHER THAN THE LICENSED RACING ENTITY CONDUCTING THE RACE
15 MEETING, THE LICENSED RACING ENTITY CONDUCTING THE RACE MEETING
16 SHALL RETAIN ANY MONEY TO WHICH IT IS ENTITLED BY AGREEMENT. THE
17 LICENSED RACING ENTITY CONDUCTING THE MEETING SHALL PAY OVER THE
18 BALANCE OF THE RETAINED MONEY TO THE LICENSED RACING ENTITY
19 CONDUCTING THE WAGERING AT THE NONPRIMARY LOCATION.

20 (D) PAYMENT OF PURSES.--A LICENSED RACING ENTITY CONDUCTING
21 A RACE MEETING WHERE PARI-MUTUEL WAGERING IS CONDUCTED AT ONE OR
22 MORE NONPRIMARY LOCATIONS SHALL DISTRIBUTE MONEY TO THE
23 HORSEMAN'S ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND
24 TRAINERS AT ITS RACETRACK, OR IN ACCORDANCE WITH THE PRACTICE OF
25 THE PARTIES, TO BE USED FOR PAYMENT OF PURSES AT THAT RACETRACK,
26 AS FOLLOWS:

27 (1) EXCEPT AS PROVIDED FOR IN PARAGRAPHS (2), (3), (4)
28 AND (5), AN AMOUNT EQUAL TO BUT NOT LESS THAN 6% OF THE DAILY
29 GROSS WAGERING HANDLE ON THE RACES AT A NONPRIMARY LOCATION.

30 (2) WHEN THE GROSS WAGERING HANDLE ON THE RACES AT A

1 NONPRIMARY LOCATION ON A GIVEN DAY IS LESS THAN \$30,000, THE
2 PERCENTAGE MAY NOT BE LESS THAN 3%.

3 (3) WHEN THE GROSS WAGERING HANDLE ON THE RACES AT A
4 NONPRIMARY LOCATION ON A GIVEN DAY IS BETWEEN \$30,000 AND
5 \$75,000, THE PERCENTAGE MAY NOT BE LESS THAN 4.75%.

6 (4) WHENEVER A NONPRIMARY LOCATION IS WITHIN THE PRIMARY
7 MARKET AREA OF A LICENSED RACING ENTITY OTHER THAN THE
8 LICENSED RACING ENTITY CONDUCTING THE RACES, THE APPLICABLE
9 PERCENTAGE SHALL BE DISTRIBUTED ONE-HALF TO THE HORSEMAN'S
10 ORGANIZATION REPRESENTING A MAJORITY OF OWNERS AND TRAINERS
11 AT THE RACETRACK OR IN ACCORDANCE WITH THE PRACTICE OF THE
12 PARTIES.

13 (5) WHERE THE RACE MEETING IS BEING CONDUCTED TO BE USED
14 FOR THE PAYMENT OF PURSES AT THE RACETRACK AND ONE-HALF TO
15 THE HORSEMAN'S ORGANIZATION, OR IN ACCORDANCE WITH THE
16 PRACTICE OF THE PARTIES, AT THE RACETRACK WITHIN THE PRIMARY
17 MARKET AREA TO BE USED FOR THE PAYMENT OF PURSES AT THE
18 RACETRACK.

19 NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO PREVENT A
20 LICENSED RACING ENTITY FROM AGREEING TO DISTRIBUTE AMOUNTS
21 GREATER THAN THE PERCENTAGES SET FORTH IN THIS SUBSECTION.
22 HOWEVER, IF NO ALTERNATIVE AGREEMENT HAS BEEN REACHED, THE TOTAL
23 PERCENTAGE FOR PURSES UNDER THIS SUBSECTION SHALL BE PAID IN
24 ACCORDANCE WITH THE MINIMUM PERCENTAGES SET FORTH IN THIS
25 SUBSECTION.

26 (E) OTHER PAYMENTS.--NOTWITHSTANDING ANY OTHER PROVISION OF
27 THIS ACT, A NONPRIMARY LOCATION MAY BE ESTABLISHED WITHIN THE
28 PRIMARY MARKET AREA OF A RACETRACK BY AGREEMENT BETWEEN THE
29 LICENSED RACING ENTITY AND THE HORSEMAN'S ORGANIZATION
30 REPRESENTING A MAJORITY OF THE OWNERS AND TRAINERS AT THE

1 RACETRACK SPECIFYING THE TOTAL PERCENTAGE OF HANDLE WAGERED AT
2 THE NONPRIMARY LOCATION TO BE DISTRIBUTED TO THE HORSEMAN'S
3 ORGANIZATION, OR IN ACCORDANCE WITH THE PRACTICE OF THE PARTIES,
4 TO BE USED FOR THE PAYMENT OF PURSES AT THAT RACETRACK. IF NO
5 AGREEMENT IS REACHED COVERING THE LOCATIONS, THE TOTAL
6 PERCENTAGE TO BE PAID FOR PURSES SHALL BE THE SAME AS THAT
7 APPLIED TO ON-TRACK WAGERING AT THE RACETRACK LOCATED WITHIN THE
8 PRIMARY MARKET AREA.

9 SECTION 222-A. BOOKS AND RECORDS OF PARI-MUTUEL WAGERING.

10 EVERY LICENSED RACING ENTITY THAT CONDUCTS A HORSE RACE
11 MEETING AT WHICH PARI-MUTUEL WAGERING IS AUTHORIZED, SHALL
12 MAINTAIN BOOKS AND RECORDS THAT CLEARLY SHOW BY SEPARATE RECORD
13 THE TOTAL AMOUNT OF MONEY CONTRIBUTED TO EVERY PARI-MUTUEL POOL.
14 THE DEPARTMENT OF REVENUE OR ITS AUTHORIZED REPRESENTATIVE SHALL
15 HAVE ACCESS TO EXAMINE ALL BOOKS AND RECORDS AND ASCERTAIN
16 WHETHER THE PROPER AMOUNT DUE TO THE STATE IS BEING PAID BY THE
17 LICENSED RACING ENTITY.

18 SECTION 223-A. FILING OF CERTAIN AGREEMENTS WITH THE

19 COMMISSION.

20 A LICENSED RACING ENTITY SHALL PROMPTLY FILE WITH THE
21 COMMISSION ANY LEASE AGREEMENT CONCERNING ANY CONCESSION, LABOR
22 MANAGEMENT RELATION, HIRING OF DESIGNATED CLASSES OF OFFICERS,
23 EMPLOYEES OR CONTRACTORS SPECIFIED BY THE COMMISSION OR ANY
24 OTHER CONTRACT OR AGREEMENT AS THE COMMISSION MAY PRESCRIBE.

25 SECTION 224-A. STATE RACING FUND AND TAX RATE.

26 (A) FUND.--THERE IS HEREBY ESTABLISHED IN THE STATE TREASURY
27 THE STATE RACING FUND. A LICENSED RACING ENTITY THAT CONDUCTS
28 HORSE RACE MEETINGS OR A LICENSED ADVANCE DEPOSIT ACCOUNT
29 WAGERING ENTITY SHALL PAY A TAX TO THE DEPARTMENT OF REVENUE FOR
30 DEPOSIT IN THE STATE RACING FUND.

1 (B) TAX RATE.--THE TAX IMPOSED ON A LICENSED RACING ENTITY
2 OR LICENSED ADVANCE DEPOSIT ACCOUNT WAGERING ENTITY SHALL BE
3 1.5% OF THE AMOUNT WAGERED EACH RACING DAY AND 2.5% OF THE TOTAL
4 AMOUNT ON AN EXACTA, DAILY DOUBLE, QUINELLA AND TRIFECTA WAGER.

5 (C) EXPENDITURES.--FUNDS COLLECTED AND DEPOSITED UNDER
6 SUBSECTION (B) AND ANY INTEREST SHALL BE USED SOLELY FOR THE
7 ADMINISTRATION AND ENFORCEMENT OF THIS ACT INCLUDING:

8 (1) FUNDS TO THE COMMISSION IN AN AMOUNT APPROPRIATED BY
9 THE GENERAL ASSEMBLY.

10 (2) FUNDS TO THE DEPARTMENT OF REVENUE IN AN AMOUNT
11 APPROPRIATED BY THE GENERAL ASSEMBLY.

12 (D) BREAKAGE.--ALL BREAKAGE RETAINED UNDER SECTION 225-A BY
13 LICENSED RACING ENTITIES THAT CONDUCT HORSE RACE MEETINGS SHALL
14 BE DISTRIBUTED IN THE FOLLOWING MANNER:

15 (1) SEVENTY-FIVE PERCENT OF THE BREAKAGE SHALL BE PAID
16 TO THE DEPARTMENT OF REVENUE FOR CREDIT TO THE STATE RACING
17 FUND.

18 (2) TWENTY-FIVE PERCENT OF THE BREAKAGE SHALL BE
19 RETAINED BY THE LICENSED CORPORATIONS TO BE USED SOLELY FOR
20 PURSES TO THE HORSEMEN. ALL BREAKAGE MONEY DUE TO LICENSED
21 RACING ENTITIES FOR THE PURSES FOR CLAIMING AND NONCLAIMING
22 RACES UNDER THIS PARAGRAPH BUT NOT EXPENDED AS A RESULT OF A
23 RACE CANCELLATION SHALL BE CARRIED FORWARD TO THE NEXT
24 SUCCEEDING HORSE RACE MEETING BY LICENSED RACING ENTITIES TO
25 BE USED FOR CLAIMING AND NONCLAIMING RACES WHICH RESTRICT
26 ENTRY TO PENNSYLVANIA-SIRED HORSES UNDER THE PROVISIONS OF
27 THIS PARAGRAPH.

28 (E) REMAINDER.--THE REMAINDER OF THE MONEY SHALL BE
29 DISTRIBUTED AS FOLLOWS:

30 (1) AN AMOUNT EQUIVALENT TO 1% OF THE AMOUNT WAGERED

1 EACH RACING DAY AT THOROUGHBRED HORSE RACE MEETINGS SHALL BE
2 PAID BY THE DEPARTMENT OF REVENUE FROM THE STATE RACING FUND
3 FOR CREDIT TO THE PENNSYLVANIA BREEDING FUND.

4 (2) AN AMOUNT EQUIVALENT TO 1.5% OF THE AMOUNT WAGERED
5 EACH RACING DAY AT STANDARD BRED HORSE RACE MEETINGS SHALL BE
6 PAID BY THE DEPARTMENT OF REVENUE FROM THE STATE RACING FUND
7 THROUGH THE DEPARTMENT OF REVENUE FOR CREDIT TO THE
8 PENNSYLVANIA SIRE STAKES FUND.

9 (3) THE REMAINDER OF THE AMOUNT WAGERED EACH RACING DAY
10 SHALL BE DEPOSITED IN THE STATE RACING FUND, FOR
11 APPROPRIATION FOR THE PROMOTION OF HORSE RACING.

12 (F) OTHER REVENUES.--THE STATE RACING FUND MAY ALSO RECEIVE
13 MONEYS FROM ANY OTHER SOURCE, INCLUDING BUT NOT LIMITED TO
14 APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY.

15 SECTION 225-A. PARI-MUTUEL POOL DISTRIBUTION.

16 (A) DISTRIBUTION.--A LICENSED RACING ENTITY SHALL DISTRIBUTE
17 MONEY IN A PARI-MUTUEL POOL TO THE HOLDERS OF WINNING TICKET
18 PRESENTED FOR PAYMENT BEFORE THE FIRST DAY OF APRIL OF THE YEAR
19 FOLLOWING THE DATE OF PURCHASE. AFTER APRIL 1 OF THE YEAR
20 FOLLOWING THE YEAR OF PURCHASE, A LICENSED RACING ENTITY SHALL
21 FORWARD THE NECESSARY FUNDS HELD FOR UNCASHED TICKETS TO THE
22 DEPARTMENT OF REVENUE. THE FUNDS SHALL BE DEPOSITED INTO THE
23 STATE RACING FUND.

24 (B) REMAINDER.--THE REMAINDER OF THE MONEY SHALL BE RETAINED
25 BY THE LICENSED RACING ENTITY IN THE FOLLOWING MANNER:

26 (1) SEVENTEEN PERCENT OF THE MONEY PLUS THE BREAKAGE
27 FROM REGULAR WAGERING POOLS OR 19% OF THE MONEY PLUS THE
28 BREAKAGE FROM REGULAR WAGERING POOLS FOR LICENSED RACING
29 ENTITIES WHOSE DAILY TOTAL IN ALL PARI-MUTUEL POOLS AVERAGED
30 LESS THAN \$300,000.

1 (2) TWENTY PERCENT OF THE MONEY PLUS BREAKAGE FROM THE
2 EXACTA, DAILY DOUBLE, QUINELLA AND OTHER WAGERING POOLS AS
3 DETERMINED BY THE COMMISSION.

4 (3) AT LEAST 26%, BUT NO MORE THAN 35%, FROM THE
5 TRIFECTA OR OTHER WAGERING POOLS AS DETERMINED BY THE
6 COMMISSION.

7 (C) RETENTION.--A LICENSED RACING ENTITY MAY RETAIN LESS
8 PERCENTAGES UPON APPROVAL OF THE COMMISSION.

9 SECTION 226-A. PENNSYLVANIA BREEDING FUND.

10 (A) ESTABLISHMENT.--THERE IS HEREBY CREATED A RESTRICTED
11 ACCOUNT IN THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA
12 BREEDING FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER
13 SECTION 225-A AND WHICH SHALL BE DISTRIBUTED BY THE DEPARTMENT
14 OF REVENUE.

15 (B) AWARDS FROM THE PENNSYLVANIA BREEDING FUND.--THE
16 DEPARTMENT OF REVENUE SHALL DISTRIBUTE MONEY FROM THE
17 PENNSYLVANIA BREEDING FUND AS FOLLOWS:

18 (1) AN AWARD OF 30% OF THE PURSE EARNED BY EVERY
19 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED RACING HORSE SIRE
20 BY A REGISTERED PENNSYLVANIA SIRE AT THE TIME OF CONCEPTION
21 OF THE REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE, OR AN
22 AWARD OF 20% OF THE PURSE EARNED BY EVERY REGISTERED
23 PENNSYLVANIA-BRED THOROUGHBRED HORSE SIRE BY A NONREGISTERED
24 SIRE, WHICH FINISHES FIRST, SECOND OR THIRD IN ANY RACE
25 CONDUCTED BY A LICENSED RACING ENTITY UNDER THIS ACT SHALL BE
26 PAID TO THE BREEDER OF SAID REGISTERED PENNSYLVANIA-BRED
27 THOROUGHBRED HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH MAY
28 NOT EXCEED 1% OF THE TOTAL ANNUAL FUND MONEY.

29 (2) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
30 PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH FINISHES FIRST,

1 SECOND OR THIRD IN ANY RACE CONDUCTED BY A LICENSED RACING
2 ENTITY UNDER THIS ACT SHALL BE PAID TO THE OWNER OF THE
3 REGISTERED PENNSYLVANIA SIRE WHICH REGULARLY STOOD IN
4 PENNSYLVANIA AT THE TIME OF CONCEPTION OF THE PENNSYLVANIA-
5 BRED THOROUGHBRED HORSE. A SINGLE AWARD UNDER THIS PARAGRAPH
6 MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL FUND MONEY.

7 (3) AN AWARD OF 10% OF THE PURSE EARNED BY ANY
8 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSE WHICH
9 FINISHES FIRST IN ANY RACE CONDUCTED BY A LICENSED RACING
10 ENTITY UNDER THIS ACT NOT RESTRICTING ENTRY TO REGISTERED
11 PENNSYLVANIA-BRED THOROUGHBRED HORSES SHALL BE PAID TO THE
12 LICENSED OWNER OF SAID REGISTERED PENNSYLVANIA-BRED
13 THOROUGHBRED HORSE AT THE TIME OF WINNING. A SINGLE AWARD
14 UNDER THIS PARAGRAPH MAY NOT EXCEED 0.5% OF THE TOTAL ANNUAL
15 FUND MONEY.

16 (C) PURSES FROM PENNSYLVANIA BREEDING FUND.--UP TO ONE-FIFTH
17 OF THE TOTAL OF THE ESTIMATED PENNSYLVANIA BREEDING FUND MONEY
18 REMAINING EACH YEAR AFTER THE DEDUCTION OF EXPENSES RELATED TO
19 THE ADMINISTRATION AND DEVELOPMENT OF THE PENNSYLVANIA BREEDING
20 FUND PROGRAM AND THE PAYMENT OF BREEDER, STALLION AND OWNER
21 AWARDS, SHALL BE DIVIDED AMONG THE LICENSED RACING ENTITIES THAT
22 CONDUCT THOROUGHBRED HORSE RACE MEETINGS IN DIRECT PROPORTION TO
23 THE RATE BY WHICH EACH LICENSED RACING ENTITY GENERATED THE FUND
24 MONEY DURING THE PREVIOUS YEAR TO BE USED SOLELY FOR PURSES FOR
25 PENNSYLVANIA BREEDING FUND STAKES RACES WHICH RESTRICT ENTRY TO
26 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES.

27 (D) REMAINING FUNDS.--THE PENNSYLVANIA BREEDING FUND MONEY
28 REMAINING FOLLOWING DISBURSEMENTS AS DIRECTED IN SUBSECTION (B)
29 (1), (2) AND (3) AND SUBSECTION (C) SHALL BE DIVIDED AMONG THE
30 LICENSED RACING ENTITIES THAT CONDUCT THOROUGHBRED HORSE RACE

1 MEETINGS IN DIRECT PROPORTION TO THE RATE BY WHICH EACH LICENSED
2 RACING ENTITY GENERATED THE FUND MONEY DURING THE PREVIOUS YEAR
3 TO BE USED FOR PURSES AS FOLLOWS:

4 (1) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
5 RACES WHICH RESTRICT ENTRY TO REGISTERED PENNSYLVANIA-BRED
6 THOROUGHBRED HORSES.

7 (2) CLAIMING AND NONCLAIMING PENNSYLVANIA BREEDING FUND
8 RACES WHICH PREFER REGISTERED PENNSYLVANIA-BRED THOROUGHBRED
9 HORSES AS STARTERS. IN THESE RACES, SHOULD EIGHT OR MORE
10 REGISTERED PENNSYLVANIA-BRED HORSES PASS THE ENTRY BOX, THE
11 RACE SHALL BE CONSIDERED CLOSED TO HORSES OTHER THAN
12 REGISTERED PENNSYLVANIA-BRED THOROUGHBRED HORSES.

13 (E) FUNDS NOT EXPENDED.--PENNSYLVANIA BREEDING FUND MONEY
14 DUE TO LICENSED RACING ENTITIES, AS OUTLINED IN SUBSECTIONS (C)
15 AND (D), BUT NOT EXPENDED DURING THE CALENDAR YEAR MAY BE
16 CARRIED FORTH IN THE FUND ON THE ACCOUNTS OF THE LICENSED RACING
17 ENTITIES TO BE EXPENDED DURING THE SUCCEEDING YEAR IN ADDITION
18 TO THE RACING ENTITIES' FUND MONEY ANNUALLY DUE TO THEM FOR
19 PURSES.

20 (E.1) COMMITTEE.--THERE IS HEREBY ESTABLISHED THE
21 PENNSYLVANIA BREEDING FUND ADVISORY COMMITTEE WITHIN THE
22 COMMISSION. THE COMMITTEE SHALL CONSIST OF FIVE INDIVIDUALS, WHO
23 ARE RESIDENTS OF PENNSYLVANIA, TO BE APPOINTED BY THE COMMISSION
24 BY JUNE 1 OF EACH YEAR BASED ON THE RECOMMENDATION OF THE GROUPS
25 IDENTIFIED IN THIS SUBSECTION. IF A MEMBER OTHER THAN A
26 COMMISSIONER HAS NOT BEEN RECOMMENDED BY JUNE 1 OF EACH YEAR,
27 THE COMMISSION SHALL MAKE AN APPOINTMENT FOR THE ORGANIZATION
28 FAILING TO SO RECOMMEND A MEMBER OF THE COMMITTEE. THE COMMITTEE
29 SHALL ASSIST AND ADVISE THE COMMISSION ON THE REGULATION OF
30 HORSE RACING UNDER THIS ACT BUT SHALL HAVE NO POWER IN

1 ADMINISTERING THE FUND. MEMBERS OF THE ADVISORY COMMITTEE SHALL
2 NOT RECEIVE COMPENSATION OR REIMBURSEMENTS FOR PARTICIPATION ON
3 THE COMMITTEE. THE COMMITTEE SHALL CONSIST OF THE FOLLOWING
4 MEMBERS:

5 (1) TWO MEMBERS REPRESENTING THE PENNSYLVANIA HORSE
6 BREEDERS' ASSOCIATION.

7 (2) ONE MEMBER REPRESENTING LICENSED RACING ENTITIES.

8 (3) ONE MEMBER REPRESENTING THE ASSOCIATION REPRESENTING
9 HORSEMEN RACING IN PENNSYLVANIA.

10 (4) ONE MEMBER OF THE COMMISSION.

11 (F) PENNSYLVANIA HORSE BREEDERS' ASSOCIATION.--THE
12 COMMISSION SHALL CONTRACT WITH THE PENNSYLVANIA HORSE BREEDERS'
13 ASSOCIATION AS THE ORGANIZATION RESPONSIBLE FOR THE REGISTRATION
14 AND RECORDS OF PENNSYLVANIA-BRED HORSES. THE PENNSYLVANIA HORSE
15 BREEDERS' ASSOCIATION SHALL ADVISE THE COMMISSION WHEN CALLED
16 UPON AND SHALL DETERMINE THE QUALIFICATIONS FOR PENNSYLVANIA-
17 BRED THOROUGHBRED HORSES AND PENNSYLVANIA SIRES. REGISTRATION
18 AND RECORDS OF THE ASSOCIATION SHALL BE OFFICIAL RECORDS OF THE
19 COMMONWEALTH AND SHALL BE SUBJECT TO THE ACT OF FEBRUARY 14,
20 2008 (P.L.6, NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW. AT THE CLOSE
21 OF EACH CALENDAR YEAR, THE PENNSYLVANIA HORSE BREEDERS'
22 ASSOCIATION SHALL SUBMIT TO THE COMMISSION FOR ITS APPROVAL AN
23 ITEMIZED BUDGET OF PROJECTED EXPENSES FOR THE ENSUING YEAR
24 RELATING TO THE ADMINISTRATION AND DEVELOPMENT OF THE
25 PENNSYLVANIA BREEDING FUND PROGRAM. THE COMMISSION SHALL
26 REIMBURSE THE PENNSYLVANIA HORSE BREEDERS' ASSOCIATION FOR THOSE
27 EXPENSES ACTUALLY INCURRED IN THE ADMINISTRATION AND DEVELOPMENT
28 OF THE PENNSYLVANIA BREEDING FUND PROGRAM FROM THE PENNSYLVANIA
29 BREEDING FUND, NO MORE THAN ON A QUARTERLY BASIS. NO MORE THAN
30 5% OF THE FUND MAY BE UTILIZED FOR ADMINISTRATIVE COSTS.

1 SECTION 227-A. PENNSYLVANIA SIRE STAKES FUND.

2 (A) ESTABLISHMENT.--THERE IS CREATED A RESTRICTED ACCOUNT IN
3 THE STATE RACING FUND TO BE KNOWN AS THE PENNSYLVANIA SIRE
4 STAKES FUND WHICH SHALL CONSIST OF THE MONEY DEPOSITED UNDER
5 SECTION 225-A AND WHICH SHALL BE ADMINISTERED BY THE COMMISSION.

6 (B) DISTRIBUTION AND USE OF FUNDS.--FUNDS SHALL BE
7 DISTRIBUTED AS FOLLOWS:

8 (1) SIXTY PERCENT OF THE MONEY REMAINING IN THE EXCESS
9 FUND ACCOUNT OF THE PENNSYLVANIA SIRE STAKES FUND AT THE END
10 OF THE CALENDAR YEAR IN WHICH THIS SUBSECTION IS ENACTED
11 SHALL BE DISTRIBUTED TO LICENSED RACING ENTITIES THAT CONDUCT
12 STANDARD BREED HORSE RACE MEETINGS TO BE USED IN THE NEXT
13 SUCCEEDING CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-
14 SIRE HORSES. THE REMAINING 40% OF THE MONEY IN THE EXCESS
15 FUND ACCOUNT AT THE END OF THE CALENDAR YEAR OF THE ENACTMENT
16 OF THIS SUBSECTION, TOGETHER WITH THE INTEREST EARNED ON THAT
17 MONEY, SHALL BE DISTRIBUTED TO LICENSED RACING ENTITIES THAT
18 CONDUCT STANDARD BREED HORSE RACE MEETINGS TO BE USED IN THE
19 NEXT SUCCEEDING CALENDAR YEAR FOLLOWING THE NEXT SUCCEEDING
20 CALENDAR YEAR AS PURSE MONEY FOR PENNSYLVANIA-SIRE HORSES.

21 (2) AFTER DEDUCTION OF SUFFICIENT FUNDS TO COVER THE
22 COMMISSION'S COST OF ADMINISTRATION, 80% OF ALL REMAINING
23 MONEY IN THE PENNSYLVANIA SIRE STAKES FUND AT THE END OF THE
24 CALENDAR YEAR SHALL BE DISTRIBUTED TO LICENSED RACING
25 ENTITIES THAT CONDUCT STANDARD BREED HORSE RACE MEETINGS TO BE
26 USED AS PURSE MONEY FOR PENNSYLVANIA-SIRE HORSES. THE
27 COMMISSION MAY ALLOCATE UP TO A TOTAL OF 40% OF THE AMOUNT TO
28 BE DISTRIBUTED TO LICENSED RACING ENTITIES IN A CALENDAR YEAR
29 FOR USE FOR A SERIES OF CHAMPIONSHIP FINAL RACES AT THE
30 RACETRACKS OF LICENSED BUSINESS ENTITIES THAT CONDUCT

1 STANDARD BRED HORSE RACE MEETINGS. THE COMMISSION SHALL
2 DISTRIBUTE THE MONEY TO THESE CHAMPIONSHIP FINAL RACES IN AN
3 EQUAL AMOUNT FOR EACH SEX, AGE AND GAIT FOR TWO-YEAR-OLD AND
4 THREE-YEAR-OLD TROTTERS AND PACERS BASED ON CONDITIONS
5 ESTABLISHING ELIGIBILITY TO THESE FINAL EVENTS. NO PARI-
6 MUTUEL STANDARD BRED RACETRACK SHALL BE AWARDED MORE THAN 50%
7 OF THE CHAMPIONSHIP FINAL RACES IN ANY CALENDAR YEAR. THE
8 COMMISSION SHALL SCHEDULE THESE FINAL EVENTS SO AS TO EVENLY
9 ALTERNATE CLASSES AT EACH RACETRACK EACH YEAR. AFTER THE
10 ALLOCATION FOR THE CHAMPIONSHIP FINAL RACES HAS BEEN
11 DETERMINED, THE REMAINING FUNDS TO BE DISTRIBUTED TO LICENSED
12 RACING ENTITIES THAT CONDUCT STANDARD BRED HORSE RACE MEETINGS
13 SHALL BE DIVIDED EQUALLY AMONG THE LICENSED RACING ENTITIES.
14 EACH LICENSED RACING ENTITY SHALL DIVIDE THE FUNDS RECEIVED
15 EQUALLY FOR EACH OF:

16 (I) FOUR TWO-YEAR-OLD RACES; ONE PACE FOR COLTS, ONE
17 PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
18 FILLIES; AND

19 (II) FOUR THREE-YEAR-OLD RACES; ONE PACE FOR COLTS,
20 ONE PACE FOR FILLIES, ONE TROT FOR COLTS AND ONE TROT FOR
21 FILLIES.

22 (C) PURSE MONEY.--EACH ALLOTMENT SHALL PROVIDE PURSE MONEY
23 FOR THE RESPECTIVE RACES. THE PURSE MONEY SHALL BE IN ADDITION
24 TO ANY ENTRY FEES OR OTHER FUNDS AVAILABLE.

25 (D) ENTRY RESTRICTION.--ENTRY FOR THESE RACES SHALL BE
26 LIMITED TO STANDARD BRED HORSES WHICH WERE SIRE BY A
27 STANDARD BRED STALLION REGULARLY STANDING IN PENNSYLVANIA AND
28 EACH RACE SHALL BE DESIGNATED A PENNSYLVANIA SIRE STAKES RACE.
29 THE COMMISSION SHALL ADOPT REGULATIONS AS NECESSARY TO
30 ADMINISTER THE ENTRY RESTRICTION.

1 SECTION 228-A. FAIR FUND PROCEEDS.

2 (A) DISTRIBUTION.--THE DEPARTMENT OF AGRICULTURE SHALL
3 DISTRIBUTE MONEY IN THE FAIR FUND ANNUALLY, ON OR BEFORE MARCH
4 1, FOR REIMBURSEMENT FOR EACH COUNTY AGRICULTURAL SOCIETY AND
5 EACH INDEPENDENT AGRICULTURAL SOCIETY CONDUCTING STANDARDBRED
6 HORSE RACING DURING ITS ANNUAL FAIR, OTHER THAN RACES FOR TWO-
7 YEAR-OLD AND THREE-YEAR-OLD COLTS AND FILLIES, AN AMOUNT OF
8 MONEY EQUAL TO THAT USED DURING THEIR ANNUAL FAIR AS PURSE MONEY
9 FOR STANDARDBRED HORSE RACING, TRACK AND STABLE MAINTENANCE,
10 STARTING GATE RENTAL AND THE COST OF ALL STANDARDBRED HORSE
11 RACING OFFICIALS REQUIRED DURING THEIR ANNUAL FAIR. THE
12 REIMBURSEMENT AMOUNT MAY NOT BE MORE THAN \$13,000, A MINIMUM OF
13 \$4,000 OF WHICH MUST BE USED FOR PURSE MONEY AND THE BALANCE OF
14 THE ALLOTMENT PER FAIR, NOT USED FOR PURSE MONEY OVER THE
15 MINIMUM \$4,000 ALLOTMENT, SHALL BE USED FOR THE SPECIFIC
16 PURPOSES REFERENCED ABOVE OR OTHERWISE THE ALLOTMENT SHALL BE
17 RETAINED IN THE FUND.

18 (B) INSPECTION.--THE DEPARTMENT OF AGRICULTURE SHALL
19 ANNUALLY INSPECT EACH TRACK FACILITY AT A COUNTY FAIR AND ADVISE
20 EACH OPERATING FAIR ABOUT TRACK MAINTENANCE WHICH IS NECESSARY
21 TO ENSURE ADEQUATE RACING SURFACE DURING THE COURSE OF SCHEDULED
22 FAIRS AND RACING EVENTS. IF IT IS THE OPINION OF THE DEPARTMENT
23 OF AGRICULTURE THAT THE FAIR SOCIETY OR EVENT SPONSOR IS NOT
24 ADEQUATELY FINANCING TRACK MAINTENANCE, THE DEPARTMENT OF
25 REVENUE SHALL SURCHARGE THE FAIR FUND ACCOUNT OF THE FAIR
26 SOCIETY OR EVENT SPONSOR TO EFFECTUATE THE REMEDIATION.

27 SECTION 229-A. HEARING.

28 AN APPLICANT, LICENSEE, PERMITTEE OR OTHER PERSON WHOSE
29 APPLICATION HAS BEEN DENIED OR WHOSE LICENSE OR PERMIT HAS BEEN
30 SUSPENDED, REVOKED OR NOT RENEWED MAY REQUEST A HEARING BEFORE

1 THE COMMISSION. THE PROVISIONS OF 2 PA.C.S. CHS. 5 SUBCH. A
2 (RELATING TO PRACTICE AND PROCEDURE OF COMMONWEALTH AGENCIES)
3 AND 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH
4 AGENCY ACTION) SHALL APPLY.

5 SECTION 230-A. PROHIBITION OF WAGERING.

6 NO COMMISSION MEMBER OR EMPLOYEE OF THE COMMISSION SHALL
7 WAGER UPON THE OUTCOME OF ANY HORSE RACE CONDUCTED AT OR
8 SIMULCAST TO A TRACK AT WHICH PARI-MUTUEL WAGERING IS CONDUCTED
9 BY ANY LICENSED RACING ENTITY OF THE COMMISSION. NO LICENSED
10 RACING ENTITY SHALL PERMIT ANY PERSON WHO IS UNDER 18 YEARS OF
11 AGE TO WAGER AT A HORSE RACE MEETING CONDUCTED BY THE LICENSED
12 RACING ENTITY. NO LICENSED RACING ENTITY SHALL PERMIT ANY PERSON
13 WHO IS UNDER 18 YEARS OF AGE TO ATTEND A HORSE RACE MEETING
14 CONDUCTED BY THE LICENSED RACING ENTITY UNLESS THE PERSON IS
15 ACCOMPANIED BY A PARENT OR GUARDIAN. THIS SECTION SHALL NOT BE
16 CONSTRUED TO PROHIBIT PERSONS UNDER 18 YEARS OF AGE, WHO ARE
17 LEGALLY EMPLOYED, FROM BEING UPON THE RACETRACK PREMISES FOR THE
18 SOLE PURPOSE OF ENGAGING IN THE PERFORMANCE OF THEIR DUTIES AS
19 EMPLOYEES.

20 SECTION 231-A. VETERINARIANS AND STATE STEWARDS.

21 (A) GENERAL RULE.--THE COMMISSION SHALL HAVE THE AUTHORITY
22 TO EMPLOY OR CONTRACT WITH LICENSED VETERINARIANS, STEWARDS AND
23 OTHER PERSONNEL DEEMED APPROPRIATE BY THE COMMISSION TO SERVE AT
24 EACH MEETING CONDUCTED BY A LICENSED RACING ENTITY. THE
25 COMMISSION MAY EMPLOY OR CONTRACT WITH OTHER INDIVIDUALS AS
26 SHALL BE NECESSARY TO CARRY OUT THE RESPONSIBILITIES OF THIS
27 SECTION.

28 (B) COSTS AND COMPENSATION.--THE COSTS AND COMPENSATION OF
29 THE HORSE RACING VETERINARIANS, STATE STEWARDS AND OTHER
30 PERSONNEL SHALL BE FIXED AND PAID BY THE LICENSED RACING ENTITY.

1 (C) AGRICULTURAL SOCIETY HORSE RACING.--THE DEPARTMENT OF
2 AGRICULTURE MAY PROMULGATE REGULATIONS TO OVERSEE HORSE RACING
3 CONDUCTED BY A COUNTY AGRICULTURAL SOCIETY OR AN INDEPENDENT
4 AGRICULTURAL SOCIETY, AS PROVIDED FOR UNDER SECTION 5(1)(III)
5 AND (IV) OF THE ACT OF JULY 8, 1986 (P.L.437, NO.92), KNOWN AS
6 THE PENNSYLVANIA AGRICULTURAL FAIR ACT.

7 SECTION 232-A. PROMOTIONS AND DISCOUNTS.

8 THE COMMISSION MAY APPROVE A LICENSED RACING ENTITY TO ISSUE
9 A FREE PASS, CARD OR BADGE FOR A SPECIAL PROMOTIONAL PROGRAM AND
10 SEASONAL DISCOUNT TICKET PROGRAM.

11 SECTION 233-A. MONITORING OF WAGERING ON VIDEO SCREENS.

12 A LICENSED RACING ENTITY CONDUCTING PARI-MUTUEL WAGERING
13 SHALL DISPLAY ON VIDEO SCREENS THE APPROXIMATE ODDS OR
14 APPROXIMATE WILL-PAYS ON EACH HORSE FOR EACH RACE AS WELL AS A
15 COMBINATION OF RACES, INCLUDING QUINELLAS, EXACTAS, PERFECTAS
16 AND ANY OTHER COMBINATION OR POOL OF RACES. A DISPLAY OF
17 APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS IS NOT REQUIRED WHERE
18 THE WAGER IS ON HORSES IN FOUR OR MORE RACES, SUCH AS "PICK 4,
19 PICK 5 OR PICK 6." IN ADDITION TO DISPLAYING THE AMOUNT OF MONEY
20 WAGERED, THE APPROXIMATE ODDS OR APPROXIMATE WILL-PAYS ON EACH
21 HORSE OR COMBINATION OF HORSES MUST BE SHOWN ON VIDEO SCREENS IN
22 EACH WAGERING DIVISION. FOR TRIFECTAS, IN LIEU OF ODDS OR
23 APPROXIMATE WILL-PAYS, THE AMOUNT OF MONEY BEING WAGERED ON EACH
24 HORSE TO WIN IN THE TRIFECTA POOL MUST BE DISPLAYED ON VIDEO
25 SCREENS SEPARATELY FROM ANY OTHER INFORMATION. INFORMATION MUST
26 BE DISPLAYED FROM THE OPENING OF BETS OR WAGERING AND BE
27 CONTINUALLY DISPLAYED UNTIL THE WAGERING IS CLOSED. AT LEAST ONE
28 VIDEO SCREEN IN EACH WAGERING DIVISION SHALL DISPLAY THE AMOUNT
29 OF MONEY WAGERED ON EACH HORSE INVOLVED IN A TRIFECTA POOL.

30 SECTION 234-A. SIMULCASTING.

1 (A) GENERAL RULE.--THE COMMISSION SHALL PERMIT INTRASTATE
2 SIMULCASTING OF LIVE RACING.

3 (B) SIMULCAST SIGNAL.--THE SIMULCAST SIGNAL SHALL BE
4 ENCODED, AND THE RACETRACK RECEIVING THE SIMULCAST SIGNAL MAY
5 NOT SEND THE SIGNAL ANYWHERE OTHER THAN A PUBLIC LOCATION
6 AUTHORIZED UNDER SECTION 219-A.

7 (C) FORMS OF PARI-MUTUEL WAGERING.--THE FORMS OF PARI-MUTUEL
8 WAGERING DESCRIBED IN SECTION 225-A ARE ALLOWED ON A RACE TO BE
9 TELEVISED BY SIMULCASTING UNDER THIS SECTION.

10 (D) REGULATIONS.--THE COMMISSION MAY PROMULGATE REGULATIONS
11 ON WAGERING AND THE OPERATION OF HORSE RACING.

12 (E) COMPUTATION OF MONEY WAGERED.--THE MONEY WAGERED BY A
13 PATRON ON A RACE MUST BE COMPUTED IN THE AMOUNT OF MONEY WAGERED
14 EACH RACING DAY FOR PURPOSES OF TAXATION UNDER SECTION 224-A.

15 (F) THOROUGHBRED AND STANDARD BRED HORSE RACETRACKS.--IF A
16 SIMULCAST IS BETWEEN A THOROUGHBRED RACETRACK AND A STANDARD BRED
17 RACETRACK, THE COMMISSION HAS JURISDICTION. AN APPROVAL REQUIRED
18 UNDER THIS SECTION MUST BE RECEIVED FROM THE COMMISSION,
19 PROVIDED THAT IF AN AGREEMENT IS NOT REACHED BETWEEN THE
20 ORGANIZATION REPRESENTING THE HORSEMEN, THE LICENSED RACING
21 ENTITY MAY PETITION THE COURT OF COMMON PLEAS IN THE COUNTY IN
22 WHICH THE LICENSED RACING ENTITY'S RACETRACK IS LOCATED. THE
23 COURT OF COMMON PLEAS MAY DIRECT THE ORGANIZATION REPRESENTING
24 THE HORSEMEN TO APPROVE THE SIMULCAST AGREEMENT UPON GOOD CAUSE
25 SHOWN BY THE LICENSED RACING ENTITY THAT FAILURE TO CONSENT
26 WOULD BE DETRIMENTAL TO THE RACING INDUSTRY IN THIS
27 COMMONWEALTH. THE COMMISSION MAY AUTHORIZE THE SIMULCASTING IF
28 THE SIMULCASTING WILL HAVE A SIGNIFICANT VALUE TO THE RACING
29 INDUSTRY IN THIS COMMONWEALTH.

30 (G) DEFINITION.--AS USED IN THIS SECTION, THE TERM "RACING

1 DAY" CONSISTS OF A MINIMUM OF EIGHT LIVE RACES, EXCEPT AT
2 THOROUGHBRED TRACKS ON BREEDERS' CUP EVENT DAY.

3 SECTION 235-A. COMMINGLING.

4 (A) APPLICABILITY.--THIS SECTION IS APPLICABLE ONLY TO
5 LICENSED RACING ENTITIES THAT CONDUCT THOROUGHBRED RACING.

6 (B) RACE SECRETARY.--THE RACE SECRETARY SHALL RECEIVE
7 ENTRIES AND DECLARATIONS AS AN AGENT FOR THE LICENSED RACING
8 ENTITY FOR WHICH THE RACE SECRETARY ACTS. THE RACE SECRETARY OR
9 AN INDIVIDUAL DESIGNATED BY THE LICENSED RACING ENTITY MAY
10 RECEIVE STAKES, FORFEITS, ENTRANCE MONEY, JOCKEY FEES AND OTHER
11 FEES, PURCHASE MONEY IN CLAIMING RACES AND OTHER MONEY THAT CAN
12 PROPERLY COME INTO THE RACE SECRETARY'S POSSESSION AS AN AGENT
13 FOR THE LICENSED RACING ENTITY FOR WHICH THE RACE SECRETARY OR
14 DESIGNEE IS ACTING.

15 (C) HORSEMEN'S ACCOUNT.--A LICENSED RACING ENTITY SHALL
16 MAINTAIN A SEPARATE ACCOUNT, TO BE KNOWN AS A HORSEMEN'S
17 ACCOUNT. MONEY OWED TO OWNERS IN REGARD TO PURSES, STAKES,
18 REWARDS, CLAIMS AND DEPOSITS SHALL BE DEPOSITED INTO THE
19 HORSEMEN'S ACCOUNT. FUNDS IN THE ACCOUNT ARE RECOGNIZED AND
20 DENOMINATED AS BEING THE SOLE PROPERTY OF OWNERS. DEPOSITED
21 FUNDS MAY NOT BE COMMINGLED WITH FUNDS OF THE LICENSED RACING
22 ENTITY UNLESS A LICENSED RACING ENTITY ESTABLISHED AN
23 IRREVOCABLE CLEAN LETTER OF CREDIT WITH AN EVERGREEN CLAUSE IN
24 FAVOR OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
25 OWNERS AND TRAINERS RACING WITH THE LICENSED RACING ENTITY. THE
26 MINIMUM AMOUNT OF THE CREDIT MUST BE THE GREATER OF \$1,000,000
27 OR 110% OF THE HIGHEST MONTHLY BALANCE IN THE HORSEMEN'S ACCOUNT
28 IN THE IMMEDIATE PRIOR YEAR. TO CALCULATE THE MONTHLY BALANCE IN
29 THE HORSEMEN'S ACCOUNT, THE SUM OF THE DAILY BALANCES SHALL BE
30 DIVIDED BY THE NUMBER OF DAYS IN THE MONTH. THE EVERGREEN CLAUSE

1 MUST PROVIDE THAT:

2 (1) THIRTY DAYS PRIOR TO THE EXPIRATION OF THE LETTER OF
3 CREDIT, THE FINANCIAL INSTITUTION CAN ELECT NOT TO RENEW THE
4 LETTER OF CREDIT;

5 (2) UPON AN ELECTION UNDER PARAGRAPH (1), THE FINANCIAL
6 INSTITUTION MUST NOTIFY THE DESIGNEE OF THE ORGANIZATION THAT
7 REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS RACING WITH
8 THE LICENSED RACING ENTITY, BY REGISTERED MAIL, RETURN
9 RECEIPT REQUESTED, OF THE ELECTION NOT TO RENEW; AND

10 (3) THE FINANCIAL INSTITUTION WILL HONOR THE LETTER OF
11 CREDIT FOR SIX MONTHS AFTER EXPIRATION.

12 PURSE MONEY EARNED BY OWNERS SHALL BE DEPOSITED BY THE LICENSED
13 RACING ENTITY IN THE HORSEMEN'S ACCOUNT WITHIN 48 HOURS AFTER
14 THE RESULT OF THE RACE IN WHICH THE MONEY WAS EARNED HAS BEEN
15 DECLARED OFFICIAL AND THE PURSE HAS BEEN RELEASED BY THE
16 COMMISSION.

17 (D) ACCOUNTING.--A LICENSED RACING ENTITY SHALL DESIGNATE
18 INDIVIDUALS AUTHORIZED TO RECEIVE AND DISBURSE FUNDS FROM THE
19 HORSEMEN'S ACCOUNT. INDIVIDUALS DESIGNATED UNDER THIS SUBSECTION
20 SHALL BE BONDED TO PROVIDE INDEMNITY FOR MALFEASANCE,
21 NONFEASANCE AND MISFEASANCE. A CERTIFIED COPY OF THE BOND SHALL
22 BE FILED WITH THE COMMISSION.

23 (E) EXAMINATION, ACCESS AND RECORDS.--THE HORSEMEN'S ACCOUNT
24 AND THE INVESTMENT AND DEPOSIT SCHEDULES RELATING TO THE ACCOUNT
25 ARE SUBJECT TO EXAMINATION, AT REASONABLE TIMES, BY A DESIGNEE
26 OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE OWNERS
27 AND TRAINERS RACING WITH THE LICENSED RACING ENTITY AND BY THE
28 COMMISSION. THE INDIVIDUAL DESIGNATED UNDER SUBSECTION (D) SHALL
29 PROVIDE EACH OWNER WITH ACCESS, AT REASONABLE TIMES DURING A
30 RACING DAY, TO THE AMOUNT OF FUNDS IN THE HORSEMEN'S ACCOUNT

1 CREDITED TO THAT OWNER. AT THE CLOSE OF A HORSE RACE MEETING,
2 THE DESIGNATED INDIVIDUAL SHALL MAIL TO EACH OWNER A RECORD OF
3 DEPOSITS, WITHDRAWALS AND TRANSFERS AFFECTING THE AMOUNT OF
4 FUNDS IN THE HORSEMEN'S ACCOUNT CREDITED TO THAT OWNER.

5 (F) AUDITING AND MONTHLY STATEMENTS.--THE HORSEMEN'S ACCOUNT
6 SHALL BE AUDITED ANNUALLY AND AT ANY OTHER TIME DETERMINED BY
7 THE COMMISSION. MONTHLY STATEMENTS SHALL BE PROVIDED TO THE
8 DESIGNEE OF THE ORGANIZATION WHICH REPRESENTS A MAJORITY OF THE
9 OWNERS AND TRAINERS RACING WITH THE LICENSED RACING ENTITY AND
10 THE COMMISSION.

11 (G) INTEREST.--FIFTY PERCENT OF THE MONEY EARNED AS INTEREST
12 ON FUNDS IN THE HORSEMEN'S ACCOUNT SHALL BE PAID TO THE
13 ORGANIZATION THAT REPRESENTS A MAJORITY OF THE OWNERS AND
14 TRAINERS RACING WITH THE LICENSED RACING ENTITY ON A WEEKLY
15 BASIS. THE AMOUNT IS FOR THE BENEFIT OF THE HORSEMEN AS
16 DETERMINED BY THE ORGANIZATION THAT REPRESENTS THE MAJORITY OF
17 THE OWNERS AND TRAINERS RACING WITH THE LICENSED RACING ENTITY.
18 THE REMAINING 50% OF THE INTEREST EARNED IS FOR THE BENEFIT OF
19 THE LICENSED RACING ENTITY THAT HAS THE RESPONSIBILITY TO FUND
20 THE COSTS ASSOCIATED WITH THE ADMINISTRATION OF THE FUND.

21 INTEREST EACH MONTH MUST BE EARNED IN AN AMOUNT EQUAL TO THE
22 FEDERAL RESERVE DISCOUNT RATE ON THE FIRST DAY OF THE MONTH.

23 SECTION 236-A. STANDARDBRED HORSE RACING PURSE MONEY.

24 A LICENSED RACING ENTITY THAT CONDUCTS STANDARDBRED RACING
25 MUST PLACE ON DEPOSIT WITH THE COMMISSION BY MARCH 1 OF EACH
26 YEAR AN IRREVOCABLE LETTER OF CREDIT EQUIVALENT TO ITS AVERAGE
27 WEEKLY PURSE TOTAL FROM THE IMMEDIATE PRIOR YEAR. THE COMMISSION
28 SHALL HOLD THE LETTER OF CREDIT IN TRUST FOR THE STANDARDBRED
29 HORSEMEN RACING AT THAT LICENSED RACING ENTITY'S HORSE RACE
30 MEETING IF THE PURSE CHECKS ARE NOT ISSUED OR INSUFFICIENT FUNDS

1 ARE AVAILABLE TO COVER THE PURSE CHECKS.

2 CHAPTER 2-B

3 ADVANCE DEPOSIT ACCOUNT WAGERING

4 SECTION 201-B. DEFINITIONS.

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

8 "ACCOUNT." AN ACCOUNT FOR ADVANCE DEPOSIT ACCOUNT WAGERING
9 WITH A SPECIFIC IDENTIFIABLE RECORD OF DEPOSITS, WAGERS AND
10 WITHDRAWALS ESTABLISHED BY AN ACCOUNT HOLDER AND MANAGED BY THE
11 LICENSED ADVANCE DEPOSIT ACCOUNT WAGERING ENTITY.

12 "ACCOUNT HOLDER." AN INDIVIDUAL WHO SUCCESSFULLY COMPLETED
13 AN APPLICATION AND FOR WHOM THE LICENSED ADVANCE DEPOSIT ACCOUNT
14 WAGERING ENTITY HAS OPENED AN ACCOUNT.

15 "APPLICANT." A PERSON THAT HAS SUBMITTED AN APPLICATION FOR
16 A LICENSE UNDER THIS ACT.

17 "CONFIDENTIAL INFORMATION." SHALL INCLUDE ALL OF THE
18 FOLLOWING:

19 (1) THE AMOUNT OF MONEY CREDITED TO, DEBITED FROM,
20 WITHDRAWN FROM OR PRESENT IN ANY PARTICULAR ACCOUNT HOLDER'S
21 ACCOUNT.

22 (2) THE AMOUNT OF MONEY WAGERED BY A PARTICULAR ACCOUNT
23 HOLDER ON ANY RACE OR SERIES OF RACES.

24 (3) THE ACCOUNT NUMBER AND SECURE PERSONAL
25 IDENTIFICATION CODE OF A PARTICULAR ACCOUNT HOLDER.

26 (4) THE IDENTITIES OF PARTICULAR LICENSED RACING ENTITY
27 ON WHICH THE ACCOUNT HOLDER IS WAGERING OR HAS WAGERED.

28 (5) UNLESS OTHERWISE AUTHORIZED BY THE ACCOUNT HOLDER,
29 THE NAME, ADDRESS AND OTHER INFORMATION IN THE POSSESSION OF
30 THE LICENSED ADVANCE DEPOSIT ACCOUNT WAGERING ENTITY THAT

1 WOULD IDENTIFY THE ACCOUNT HOLDER TO ANYONE OTHER THAN THE
2 COMMISSION OR THE LICENSED ADVANCE DEPOSIT ACCOUNT WAGERING
3 ENTITY.

4 "NOMINAL CHANGE IN OWNERSHIP." THE SALE, PLEDGE, ENCUMBRANCE,
5 EXECUTION OF AN OPTION AGREEMENT OR ANOTHER TRANSFER OF LESS
6 THAN FIVE PERCENT OF THE EQUITY SECURITIES OR OTHER OWNERSHIP
7 INTEREST OF A PARTNERSHIP, ASSOCIATION, CORPORATION OR ENTITY
8 HOLDING A LICENSE.

9 "PRINCIPAL." ALL OF THE FOLLOWING INDIVIDUALS ASSOCIATED
10 WITH A PARTNERSHIP, TRUST ASSOCIATION, LIMITED LIABILITY COMPANY
11 OR CORPORATION:

12 (1) THE CHAIRMAN AND ALL MEMBERS OF THE BOARD OF
13 DIRECTORS OF A CORPORATION.

14 (2) ALL PARTNERS OF A PARTNERSHIP AND ALL PARTICIPATING
15 MEMBERS OF A LIMITED LIABILITY COMPANY.

16 (3) ALL TRUSTEES AND TRUST BENEFICIARIES OF AN
17 ASSOCIATION.

18 (4) THE PRESIDENT OR CHIEF EXECUTIVE OFFICER AND ALL
19 OTHER OFFICERS, MANAGERS AND EMPLOYEES WHO HAVE POLICY-MAKING
20 OR FIDUCIARY RESPONSIBILITY WITHIN THE ORGANIZATION.

21 (5) ALL STOCKHOLDERS OR OTHER INDIVIDUALS WHO OWN, HOLD,
22 OR CONTROL, EITHER DIRECTLY OR INDIRECTLY, 5% OR MORE OF
23 STOCK OR FINANCIAL INTEREST IN THE COLLECTIVE ORGANIZATION.

24 (6) ANY OTHER EMPLOYEE, AGENT, GUARDIAN, PERSONAL
25 REPRESENTATIVE, OR LENDER OR HOLDER OF INDEBTEDNESS WHO HAS
26 THE POWER TO EXERCISE A SIGNIFICANT INFLUENCE OVER THE
27 APPLICANT'S OR LICENSEE'S OPERATION.

28 "SUBSTANTIAL CHANGE IN OWNERSHIP." THE SALE, PLEDGE,
29 ENCUMBRANCE, EXECUTION OF AN OPTION AGREEMENT OR ANOTHER
30 TRANSFER OF FIVE PERCENT OR MORE OF THE EQUITY SECURITIES OR

1 OTHER OWNERSHIP INTEREST OF A PARTNERSHIP, ASSOCIATION,
2 CORPORATION OR ENTITY HOLDING A LICENSE.

3 "TELEPHONE ACCOUNT WAGERING." A FORM OF PARI-MUTUEL WAGERING
4 WHERE AN INDIVIDUAL MAY DEPOSIT MONEY IN AN ACCOUNT AT A TRACK
5 AND MAY PLACE A WAGER BY DIRECT TELEPHONE CALL OR BY
6 COMMUNICATION THROUGH OTHER ELECTRONIC MEDIA OWNED BY THE HOLDER
7 OF THE ACCOUNT TO THE TRACK.

8 SECTION 202-B. LICENSE REQUIRED TO CONDUCT ADVANCE DEPOSIT
9 ACCOUNT WAGERING.

10 (A) NEW APPLICATIONS.--A PERSON, OTHER THAN A LICENSED
11 RACING ENTITY ENGAGED IN TELEPHONE ACCOUNT WAGERING THAT OFFERS
12 ADVANCE DEPOSIT ACCOUNT WAGERING TO INDIVIDUALS WITHIN THIS
13 COMMONWEALTH SHALL APPLY TO THE COMMISSION FOR A LICENSE UNDER
14 THIS CHAPTER. DEADLINES FOR NEW LICENSE APPLICATIONS SHALL BE AS
15 FOLLOWS:

16 (1) A PERSON THAT OFFERED ADVANCED DEPOSIT ACCOUNT
17 WAGERING TO RESIDENTS OF THIS COMMONWEALTH PRIOR TO THE
18 EFFECTIVE DATE OF THIS CHAPTER, SHALL APPLY TO THE COMMISSION
19 FOR A LICENSE BY SUBMITTING A COMPLETED "INITIAL/RENEWAL
20 LICENSE APPLICATION TO CONDUCT ADVANCE DEPOSIT ACCOUNT
21 WAGERING" FORM ON OR BEFORE 60 DAYS AFTER THE EFFECTIVE DATE
22 OF THIS CHAPTER. BETWEEN THE TIME THAT THE LICENSE
23 APPLICATION IS SUBMITTED AND THE COMMISSION RENDERS A
24 DECISION, THE PERSON MAY CONTINUE TO OPERATE. THE COMMISSION
25 SHALL RENDER A DECISION WITHIN 90 DAYS OF RECEIPT OF A
26 COMPLETED LICENSE APPLICATION. THE LICENSE SHALL BE EFFECTIVE
27 UPON APPROVAL OF THE COMMISSION.

28 (2) ANY OTHER PERSON SHALL APPLY TO THE COMMISSION FOR A
29 LICENSE BY SUBMITTING A COMPLETED "INITIAL/RENEWAL LICENSE
30 APPLICATION TO CONDUCT ADVANCE DEPOSIT ACCOUNT WAGERING"

1 FORM. THE LICENSE SHALL BE EFFECTIVE, AND THE LICENSED
2 ADVANCE DEPOSIT ACCOUNT WAGERING ENTITY MAY BEGIN OPERATIONS,
3 UPON APPROVAL OF THE COMMISSION.

4 (B) RENEWAL APPLICATIONS.--A LICENSE TO CONDUCT ADVANCE
5 DEPOSIT ACCOUNT WAGERING SHALL BE RENEWED EVERY THREE YEARS IN
6 ACCORDANCE WITH THIS CHAPTER. A RENEWAL APPLICATION SHALL BE
7 SUBMITTED ON THE "INITIAL/RENEWAL LICENSE APPLICATION TO CONDUCT
8 ADVANCE DEPOSIT ACCOUNT WAGERING" FORM ON OR BEFORE SEPTEMBER 1
9 OF THE PRECEDING YEAR. THE COMMISSION SHALL RENDER A DECISION ON
10 THE APPLICATION ON OR BEFORE DECEMBER 15 OF THE PRECEDING YEAR.
11 IF APPROVED, A RENEWAL LICENSE SHALL BE EFFECTIVE JANUARY 1.

12 (C) INFORMATION REQUIRED.--IF AN APPLICANT IS UNABLE TO
13 PROVIDE THE INFORMATION REQUIRED, THE APPLICANT SHALL FULLY
14 EXPLAIN AND DOCUMENT TO THE SATISFACTION OF THE COMMISSION, THE
15 CIRCUMSTANCES AND SHALL PROVIDE THE INFORMATION PROMPTLY UPON
16 BEING ABLE TO DO SO.

17 SECTION 203-B. LICENSING COSTS AND FEES.--COSTS AND FEES ARE AS
18 FOLLOWS:

19 (1) THE APPLICANT SHALL PAY ALL COSTS INCURRED BY THE
20 COMMISSION IN REVIEWING AN APPLICATION FOR AN INITIAL
21 LICENSE, INCLUDING LEGAL AND INVESTIGATIVE COSTS AND THE COST
22 OF OTHER NECESSARY OUTSIDE PROFESSIONALS AND CONSULTANTS IN
23 ACCORDANCE WITH THE FOLLOWING:

24 (I) AS AN INITIAL PAYMENT FOR THESE COSTS, THE
25 APPLICANT SHALL SUBMIT, ALONG WITH A LICENSE APPLICATION,
26 A CASHIER'S CHECK OR CERTIFIED CHECK PAYABLE TO THE
27 COMMISSION IN THE AMOUNT OF \$50,000.

28 (II) ANY PORTION OF THE PAYMENT NOT REQUIRED TO
29 COMPLETE THE INVESTIGATION SHALL BE REFUNDED TO THE
30 APPLICANT WITHIN 20 DAYS OF THE GRANTING, WITHDRAWAL OR

1 REJECTION OF THE INITIAL LICENSE APPLICATION.

2 (III) TO THE EXTENT ADDITIONAL COSTS WILL BE
3 NECESSARY, THE APPLICANT SHALL SUBMIT A CASHIER'S CHECK
4 OR CERTIFIED CHECK PAYABLE TO THE COMMISSION IN AN AMOUNT
5 REASONABLY REQUESTED BY THE COMMISSION WITHIN TEN DAYS OF
6 RECEIPT OF THE REQUEST. FAILURE TO SUBMIT AN ADDITIONAL
7 REQUESTED PAYMENT SHALL RESULT IN SUSPENSION OF THE
8 PROCESSING OF THE LICENSE APPLICATION AND MAY RESULT IN
9 DENIAL OF THE LICENSE.

10 (2) AN APPLICANT FOR A RENEWAL LICENSE SHALL PAY ALL
11 REASONABLE COSTS INCURRED BY THE COMMISSION IN REVIEWING A
12 RENEWAL LICENSE, INCLUDING LEGAL AND INVESTIGATIVE COSTS AND
13 THE COST OF OTHER NECESSARY OUTSIDE PROFESSIONALS AND
14 CONSULTANTS IN ACCORDANCE WITH THE FOLLOWING:

15 (I) THE APPLICANT SHALL SUBMIT A CASHIER'S CHECK OR
16 CERTIFIED CHECK PAYABLE TO THE COMMISSION IN AN AMOUNT
17 REASONABLY REQUESTED BY THE COMMISSION WITHIN TEN DAYS OF
18 RECEIPT OF REQUEST.

19 (II) FAILURE TO SUBMIT THE PAYMENT SHALL RESULT IN
20 SUSPENSION OF THE PROCESSING OF RENEWING THE LICENSE AND
21 MAY RESULT IN DENIAL OF THE LICENSE.

22 (3) THE COMMISSION MAY WAIVE THE COSTS CONTAINED IN
23 PARAGRAPHS (1) AND (2), IN WHOLE OR PART IF THE APPLICANT HAS
24 UNDERGONE A CERTIFICATION PROCESS OR OTHER INVESTIGATIVE
25 REVIEW BY A COMMISSION-APPROVED INDUSTRY OR REGULATORY BODY.

26 (4) A LICENSE FEE OF \$500,000 SHALL BE PAYABLE TO THE
27 COMMISSION UPON ISSUANCE OF THE INITIAL LICENSE. AN ANNUAL
28 RENEWAL LICENSE FEE OF \$500,000 SHALL BE PAYABLE TO THE
29 COMMISSION. A LICENSE SHALL NOT BE ISSUED UNTIL RECEIPT OF
30 THE LICENSE FEE EACH YEAR. THE LICENSE FEE SHALL BE DEPOSITED

1 IN THE STATE RACING FUND.

2 (5) THE COMMISSION SHALL TRACK THE ADDITIONAL COSTS
3 REQUIRED TO IMPLEMENT AND ENFORCE THIS CHAPTER.

4 SECTION 204-B. LICENSE APPLICATION PROCEDURES.

5 (A) APPLICATION FOR LICENSE.--AN APPLICATION FOR AN INITIAL
6 OR RENEWAL LICENSE SHALL BE IN THE FORM AND MANNER PRESCRIBED BY
7 THE COMMISSION IN ACCORDANCE WITH THIS CHAPTER. THE COMMISSION
8 MAY DENY A LICENSE TO AN APPLICANT THAT PROVIDES FALSE OR
9 MISLEADING INFORMATION ON OR OMITTS MATERIAL INFORMATION FROM THE
10 APPLICATION. THE APPLICATION SHALL INCLUDE ALL OF THE FOLLOWING:

11 (1) THE APPLICANT'S LEGAL NAME.

12 (2) THE LOCATION OF THE APPLICANT'S PRINCIPAL OFFICE.

13 (3) THE NAME, ADDRESS, AND DATE OF BIRTH OF EACH
14 PRINCIPAL WITH A FIVE PERCENT OR GREATER SHARE OF OWNERSHIP
15 OR BENEFICIAL INTEREST IN THE APPLICANT.

16 (4) AUDITED FINANCIAL STATEMENTS FOR THE LAST THREE
17 YEARS OR, IF THE APPLICANT DOES NOT HAVE AUDITED FINANCIAL
18 STATEMENTS, FINANCIAL AND OTHER PERTINENT INFORMATION AS
19 REQUIRED BY THE COMMISSION TO DETERMINE THAT THE APPLICANT IS
20 FINANCIALLY CAPABLE OF OPERATING AS A GOING CONCERN AND
21 PROTECTING ACCOUNTS.

22 (5) A DETAILED PLAN OF HOW THE ADVANCE DEPOSIT ACCOUNT
23 WAGERING SYSTEM WILL OPERATE. THE COMMISSION MAY REQUIRE
24 CHANGES IN THE PROPOSED PLAN OF OPERATIONS AS A CONDITION OF
25 GRANTING A LICENSE. THERE SHALL NOT BE SUBSEQUENT MATERIAL
26 CHANGES IN THE PLAN OF OPERATIONS UNLESS ORDERED BY THE
27 COMMISSION OR UNTIL APPROVED BY THE COMMISSION AFTER
28 RECEIVING A WRITTEN REQUEST.

29 (6) A LIST OF ALL PERSONNEL PROCESSING WAGERS ON RACES
30 MADE BY RESIDENTS OF THIS COMMONWEALTH. THIS LIST SHALL BE

1 KEPT CURRENT AND BE PROVIDED TO THE COMMISSION UPON REQUEST.

2 (7) COPIES OF ALL DOCUMENTS REQUIRED UNDER THIS
3 SUBSECTION BY THE COMMISSION.

4 (B) (RESERVED).

5 (C) REVIEW.--IN REVIEWING AN APPLICATION, THE COMMISSION MAY
6 CONSIDER ANY INFORMATION, DATA, REPORT, FINDING OR OTHER FACTOR
7 AVAILABLE THAT IT CONSIDERS IMPORTANT OR RELEVANT TO THE
8 DETERMINATION OF WHETHER THE APPLICANT IS QUALIFIED TO HOLD A
9 LICENSE, INCLUDING ALL OF THE FOLLOWING:

10 (1) THE INTEGRITY OF THE APPLICANT AND ITS PRINCIPALS,
11 INCLUDING:

12 (I) WHETHER THE APPLICANT OR ITS PRINCIPALS ARE
13 UNSUITABLE.

14 (II) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
15 BEEN A PARTY TO LITIGATION OVER BUSINESS PRACTICES,
16 DISCIPLINARY ACTIONS OVER A BUSINESS LICENSE OR REFUSAL
17 TO RENEW A LICENSE.

18 (III) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
19 BEEN A PARTY TO PROCEEDINGS IN WHICH UNFAIR LABOR
20 PRACTICES, DISCRIMINATION OR VIOLATION OF GOVERNMENT
21 REGULATIONS PERTAINING TO RACING OR GAMING LAWS WAS AN
22 ISSUE OR BANKRUPTCY PROCEEDINGS.

23 (IV) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
24 FAILED TO SATISFY JUDGMENTS, ORDERS OR DECREES.

25 (V) WHETHER THE APPLICANT OR ITS PRINCIPALS HAVE
26 BEEN DELINQUENT IN FILING TAX REPORTS OR REMITTING TAXES.

27 (2) THE QUALITY OF PHYSICAL FACILITIES AND EQUIPMENT.

28 (3) THE FINANCIAL ABILITY OF THE APPLICANT TO CONDUCT
29 ADVANCE DEPOSIT ACCOUNT WAGERING.

30 (4) THE PROTECTIONS PROVIDED TO SAFEGUARD ACCOUNTS,

1 INCLUDING A CERTIFICATION FROM THE LICENSEE'S CHIEF FINANCIAL
2 OFFICER THAT ACCOUNT FUNDS WILL NOT BE COMINGLED WITH OTHER
3 FUNDS AS REQUIRED UNDER THIS CHAPTER.

4 (5) THE MANAGEMENT ABILITY OF THE APPLICANT AND ITS
5 PRINCIPALS.

6 (6) COMPLIANCE OF THE APPLICANT WITH APPLICABLE
7 STATUTES, CHARTERS, ORDINANCES AND ADMINISTRATIVE
8 REGULATIONS.

9 (7) THE EFFORTS OF THE APPLICANT TO PROMOTE, DEVELOP,
10 AND IMPROVE THE HORSE RACING INDUSTRY IN THIS COMMONWEALTH.

11 (8) THE EFFORTS OF THE APPLICANT TO SAFEGUARD AND
12 PROMOTE THE INTEGRITY OF PARI-MUTUEL WAGERING IN THIS
13 COMMONWEALTH.

14 (9) THE ECONOMIC IMPACT OF THE APPLICANT UPON THE
15 COMMONWEALTH.

16 SECTION 205-B. ORAL PRESENTATION BY APPLICANT.

17 (A) APPLICATION.--THE APPLICATION PRESENTATION SHALL BE IN
18 ACCORDANCE WITH ALL OF THE FOLLOWING:

19 (1) THE COMMISSION MAY REQUIRE AN APPLICANT TO MAKE AN
20 ORAL PRESENTATION PRIOR TO THE RULING IN ORDER TO CLARIFY OR
21 OTHERWISE RESPOND TO QUESTIONS CONCERNING THE APPLICATION AS
22 A CONDITION TO THE ISSUANCE OR RENEWAL OF A LICENSE.

23 (2) THE PRESENTATION SHALL BE LIMITED TO THE INFORMATION
24 CONTAINED IN THE APPLICANT'S APPLICATION AND ANY SUPPLEMENTAL
25 INFORMATION RELEVANT TO THE COMMISSION'S DETERMINATION OF THE
26 APPLICANT'S SUITABILITY.

27 (3) THE ADMISSION AS EVIDENCE OF THE SUPPLEMENTAL
28 INFORMATION SHALL BE SUBJECT TO THE DISCRETION OF THE
29 COMMISSION.

30 (B) INCOMPLETE APPLICATION.--IF THE COMMISSION DEEMS AN

1 APPLICANT'S APPLICATION INCOMPLETE AND DOES NOT ACCEPT IT FOR
2 FILING, THE APPLICANT SHALL NOT BE ENTITLED TO MAKE AN ORAL
3 PRESENTATION.

4 SECTION 206-B. ADDITIONAL INFORMATION.

5 THE COMMISSION MAY REQUEST ADDITIONAL INFORMATION FROM AN
6 APPLICANT IF THE ADDITIONAL INFORMATION WOULD ASSIST THE
7 COMMISSION IN DECIDING WHETHER TO ISSUE OR RENEW A LICENSE,
8 INCLUDING ALL OF THE FOLLOWING:

9 (1) COPIES OF ANY DOCUMENTS USED BY THE APPLICANT IN
10 PREPARING THE APPLICATION.

11 (2) A LIST OF EACH CONTRACT BETWEEN THE APPLICANT AND A
12 THIRD PARTY RELATED TO OPERATIONS. THE COMMISSION MAY REVIEW
13 THE CONTRACTS AT ANY TIME UPON REQUEST.

14 SECTION 207-B. OPERATIONS.

15 (A) PRIOR OPERATIONS.--BEFORE DOING BUSINESS IN THIS
16 COMMONWEALTH ALL OF THE FOLLOWING ARE REQUIRED OF A LICENSEE:

17 (1) BE QUALIFIED TO DO BUSINESS IN THIS COMMONWEALTH.

18 (2) SUBMIT A COPY OF EACH DOCUMENT REQUIRED TO BE FILED
19 WITH THE DEPARTMENT OF REVENUE AND EACH DOCUMENT RELATED TO
20 AN AUDIT OR INVESTIGATION BY ANY FEDERAL, STATE OR LOCAL
21 REGULATORY AGENCY TO THE COMMISSION.

22 (3) REMIT TO THE COMMISSION A COPY OF EACH DOCUMENTS
23 REQUIRED TO BE FILED WITH ANY FEDERAL, STATE OR LOCAL
24 REGULATORY AGENCY.

25 (B) REQUIREMENTS.--

26 (1) A LICENSEE SHALL SUBMIT QUARTERLY REPORTS TO THE
27 COMMISSION PROVIDING AMOUNTS WAGERED BY RESIDENTS IN THIS
28 COMMONWEALTH AND AMOUNTS WAGERED ON RACES IN THIS
29 COMMONWEALTH.

30 (2) A LICENSEE SHALL ENTER INTO AN AGREEMENT WITH EACH

1 LICENSED RACING ENTITY IN THIS COMMONWEALTH ON WHOSE RACES
2 THE LICENSEE OFFERS ADVANCE DEPOSIT ACCOUNT WAGERING
3 REGARDING PAYMENT OF HOST FEES AND ANY OTHER APPLICABLE FEES,
4 COSTS OR PAYMENTS OF ANY KIND TO BE PAID TO THE LICENSED
5 RACING ENTITY. THE LICENSED RACING ENTITY AND THE APPLICABLE
6 HORSEMEN'S ORGANIZATION SHALL NEGOTIATE A SEPARATE AGREEMENT
7 FOR CONTRIBUTIONS TO THE PURSE ACCOUNT GENERATED BY ADVANCED
8 DEPOSIT ACCOUNT WAGERING.

9 (3) A LICENSEE SHALL NOT COMINGLE ACCOUNT FUNDS WITH
10 OTHER FUNDS.

11 (4) A LICENSEE SHALL PROVIDE QUARTERLY FINANCIAL
12 STATEMENTS TO THE COMMISSION FOR THE FIRST CALENDAR YEAR OF
13 OPERATION IF THE LICENSED RACING ENTITY DOES NOT HAVE AUDITED
14 FINANCIAL STATEMENTS FOR THE LAST THREE YEARS AS REFERENCED
15 IN SECTION 204-B(A) (4).

16 (5) A LICENSEE SHALL USE AND COMMUNICATE PARI-MUTUEL
17 WAGERS TO A TOTALISATOR LICENSED BY THE COMMISSION.

18 (6) A LICENSEE SHALL OPERATE AND COMMUNICATE WITH THE
19 TOTALISATOR IN SUCH A WAY AS NOT TO PROVIDE OR FACILITATE A
20 WAGERING ADVANTAGE BASED ON ACCESS TO INFORMATION AND
21 PROCESSING OF WAGERS BY ACCOUNT HOLDERS RELATIVE TO
22 INDIVIDUALS WHO WAGER AT LICENSED RACING ENTITIES OR
23 SIMULCAST FACILITIES.

24 (7) ALL PERSONNEL PROCESSING WAGERS MADE BY RESIDENTS OF
25 THIS COMMONWEALTH SHALL BE LICENSED IN THE JURISDICTION WHERE
26 THEY ARE LOCATED. IF AN INDIVIDUAL IS LOCATED IN A
27 JURISDICTION THAT IS NOT A RACING JURISDICTION OR THAT DOES
28 NOT REQUIRE A LICENSE, THAT INDIVIDUAL SHALL BE LICENSED IN
29 THIS COMMONWEALTH.

30 (8) ACCOUNTS SHALL ONLY BE ACCEPTED IN THE NAME OF AN

1 INDIVIDUAL AND SHALL NOT BE TRANSFERABLE. ONLY INDIVIDUALS
2 WHO HAVE ESTABLISHED ACCOUNTS WITH A LICENSEE MAY WAGER
3 THROUGH A LICENSEE.

4 (9) EACH ACCOUNT HOLDER SHALL PROVIDE PERSONAL
5 INFORMATION AS THE LICENSEE AND THE COMMISSION REQUIRE,
6 INCLUDING ALL OF THE FOLLOWING:

7 (I) NAME.

8 (II) PRINCIPAL RESIDENCE ADDRESS.

9 (III) TELEPHONE NUMBER.

10 (IV) SOCIAL SECURITY NUMBER.

11 (V) DATE OF BIRTH.

12 (VI) OTHER INFORMATION NECESSARY FOR ACCOUNT
13 ADMINISTRATION.

14 (10) THE INFORMATION SUPPLIED BY THE ACCOUNT HOLDER
15 SHALL BE VERIFIED BY THE LICENSEE USING MEANS ACCEPTABLE TO
16 THE COMMISSION.

17 (11) THE LICENSEE SHALL PROVIDE EACH ACCOUNT HOLDER A
18 SECURE PERSONAL IDENTIFICATION CODE AND PASSWORD TO BE USED
19 BY THE ACCOUNT HOLDER TO CONFIRM THE VALIDITY OF EVERY
20 ACCOUNT TRANSACTION.

21 (12) AN EMPLOYEE OR AGENT OF THE LICENSEE SHALL NOT
22 DISCLOSE ANY CONFIDENTIAL INFORMATION EXCEPT THE FOLLOWING:

23 (I) TO THE COMMISSION.

24 (II) TO THE ACCOUNT HOLDER AS REQUIRED BY THIS
25 CHAPTER.

26 (III) TO THE LICENSEE AND ITS AFFILIATES;

27 (IV) TO THE LICENSED RACING ENTITY AS REQUIRED BY
28 THE AGREEMENT BETWEEN THE LICENSEE AND THE LICENSED
29 RACING ENTITY; AND

30 (V) AS OTHERWISE REQUIRED BY LAW.

1 (13) THE LICENSEE SHALL PROVIDE EACH ACCOUNT HOLDER A
2 COPY OF ACCOUNT HOLDER RULES AND THE TERMS OF AGREEMENT AND
3 OTHER INFORMATION AND MATERIALS THAT ARE PERTINENT TO THE
4 OPERATION OF THE ACCOUNT.

5 (14) THE LICENSEE MAY REFUSE TO ESTABLISH AN ACCOUNT IF
6 IT IS FOUND THAT ANY OF THE INFORMATION SUPPLIED IS FALSE OR
7 INCOMPLETE OR FOR ANY OTHER REASON THE LICENSEE DEEMS
8 SUFFICIENT.

9 (15) EACH ACCOUNT SHALL BE ADMINISTERED IN ACCORDANCE
10 WITH THE ACCOUNT HOLDER RULES AND THE TERMS OF AGREEMENT
11 PROVIDED TO ACCOUNT HOLDERS, INCLUDING:

12 (I) PLACING OF WAGERS.

13 (II) DEPOSITS TO ACCOUNTS.

14 (III) CREDITS TO ACCOUNTS.

15 (IV) DEBITS TO ACCOUNTS.

16 (V) REFUNDS TO ACCOUNTS.

17 (VI) WITHDRAWALS FROM ACCOUNTS.

18 (VII) MINIMUM DEPOSIT REQUIREMENTS.

19 (VIII) FEES PER WAGER.

20 (IX) REBATES.

21 (16) EACH LICENSEE SHALL HAVE PROTOCOLS IN PLACE AND
22 SHALL PUBLICIZE TO ITS ACCOUNT HOLDERS WHEN THE WAGERS ARE
23 EXCLUDED FROM A HOST RACETRACK'S WAGERING POOL. THESE
24 PROTOCOLS SHALL INCLUDE AN IMMEDIATE ELECTRONIC MAIL MESSAGE
25 TO AFFECTED ACCOUNT HOLDERS AND IMMEDIATE POSTING ON THE
26 LICENSEE'S INTERNET WEBSITE.

27 (17) A LICENSEE SHALL MAINTAIN COMPLETE RECORDS OF THE
28 APPLICATION AND THE OPENING OF AN ACCOUNT FOR THE LIFE OF THE
29 ACCOUNT PLUS TWO ADDITIONAL YEARS. A LICENSEE SHALL ALSO
30 MAINTAIN COMPLETE RECORDS OF THE CLOSING OF AN ACCOUNT FOR

1 TWO YEARS AFTER CLOSING. THESE RECORDS SHALL BE PROVIDED TO
2 THE COMMISSION UPON REQUEST.

3 (18) A LICENSEE SHALL MAINTAIN COMPLETE RECORDS OF ALL
4 TRANSACTIONS, INCLUDING DEPOSITS, CREDITS, DEBITS, REFUNDS,
5 WITHDRAWALS, FEES, WAGERS, REBATES AND EARNINGS FOR TWO
6 YEARS. THESE RECORDS SHALL BE PROVIDED TO THE COMMISSION UPON
7 REQUEST.

8 (19) ALL WAGERING CONVERSATIONS, TRANSACTIONS OR OTHER
9 WAGERING COMMUNICATIONS, VERBAL OR ELECTRONIC, SHALL BE
10 RECORDED BY MEANS OF THE APPROPRIATE ELECTRONIC MEDIA AND THE
11 TAPES OR OTHER RECORDS OF THE COMMUNICATIONS SHALL BE KEPT BY
12 THE LICENSEE FOR A PERIOD OF TWO YEARS. THESE TAPES AND OTHER
13 RECORDS SHALL BE MADE AVAILABLE TO THE COMMISSION UPON
14 REQUEST.

15 (20) THE RECORDING OF THE CONFIRMATION OF THE
16 TRANSACTION, AS REFLECTED IN THE VOICE OR OTHER DATA
17 RECORDING, SHALL BE DEEMED TO BE THE ACTUAL WAGER REGARDLESS
18 OF WHAT WAS RECORDED BY THE TOTALISATOR.

19 (21) A LICENSEE SHALL NOT ACCEPT WAGERS IF ITS RECORDING
20 SYSTEM IS NOT OPERABLE.

21 (22) THE COMMISSION MAY MONITOR THE EQUIPMENT AND STAFF
22 AND REVIEW THE RECORDS OF A LICENSEE AND ANY OF THE
23 TRANSACTIONS CONDUCTED BY THE LICENSEE WITH REGARDS TO WAGERS
24 MADE BY RESIDENTS OF THIS COMMONWEALTH.

25 (23) A LICENSEE MAY SUSPEND OR CLOSE ANY ACCOUNT FOR
26 VIOLATION OF THE ACCOUNT HOLDER RULES AND THE TERMS OF
27 AGREEMENT OR ANY OTHER REASON IT DEEMS SUFFICIENT, IF THE
28 LICENSEE RETURNS TO THE ACCOUNT HOLDER ALL MONIES THEN ON
29 DEPOSIT WITHIN SEVEN CALENDAR DAYS.

30 SECTION 208-B. TRANSFERS OF LICENSES.

1 A TRANSFER OF LICENSES SHALL BE DONE IN ACCORDANCE WITH THE
2 FOLLOWING:

3 (1) A LICENSE ISSUED UNDER THIS CHAPTER SHALL NOT BE
4 TRANSFERABLE OR ASSIGNABLE.

5 (2) A SUBSTANTIAL CHANGE IN OWNERSHIP IN A LICENSEE
6 SHALL RESULT IN TERMINATION OF THE LICENSE UNLESS PRIOR
7 WRITTEN APPROVAL HAS BEEN OBTAINED FROM THE COMMISSION. A
8 REQUEST FOR APPROVAL OF A SUBSTANTIAL CHANGE IN OWNERSHIP
9 SHALL BE MADE ON A FORM DESIGNATED BY THE COMMISSION. UPON
10 RECEIPT OF ALL REQUIRED INFORMATION, THE COMMISSION SHALL, AS
11 SOON AS PRACTICABLE, MAKE A DETERMINATION WHETHER TO
12 AUTHORIZE AND APPROVE THE SUBSTANTIAL CHANGE IN OWNERSHIP.

13 (3) NOTICE OF A NOMINAL CHANGE IN OWNERSHIP SHALL BE
14 FILED WITH THE COMMISSION WITHIN 15 DAYS OF THE EXECUTION OF
15 THE DOCUMENTS UPON WHICH THE PROPOSED NOMINAL CHANGE IN
16 OWNERSHIP WILL BE BASED.

17 (4) FOR PURPOSES OF PARAGRAPH (3), NOTICE IS NOT
18 REQUIRED FOR ANY OF THE FOLLOWING:

19 (I) A NOMINAL CHANGE IN OWNERSHIP IF THE LICENSEE IS
20 A PUBLICLY TRADED CORPORATION.

21 (II) THE TRANSFER OF AN OWNERSHIP INTEREST IN A
22 LICENSED RACING ENTITY, WHETHER SUBSTANTIAL OR NOMINAL,
23 DIRECT OR INDIRECT, IF BY A PUBLICLY TRADED CORPORATION,
24 AND IF THE BENEFICIAL OWNERSHIP TRANSFERRED IS ACQUIRED
25 BY AN INDIVIDUAL WHO HOLDS THE VOTING SECURITIES OF THE
26 PUBLICLY TRADED CORPORATION FOR INVESTMENT PURPOSES ONLY.

27 (III) A DEBT TRANSACTION OF A PUBLICLY TRADED
28 CORPORATION, UNLESS THE TRANSACTION RESULTS IN THE PLEDGE
29 OR ENCUMBRANCE OF THE ASSETS OR ANY PORTION OF THE ASSETS
30 OF THE LICENSED RACING ENTITY.

1 (5) ANY ATTEMPT TO EFFECT A SUBSTANTIAL CHANGE IN
2 OWNERSHIP UNDER THIS SECTION IF NOT DONE SO IN WRITING SHALL
3 BE CONSIDERED VOID BY THE COMMISSION.

4 SECTION 209-B. DURATION OF LICENSE.

5 A LICENSE ISSUED UNDER THIS CHAPTER SHALL BE VALID FOR THE
6 THREE CALENDAR YEARS FOR WHICH THE LICENSE IS ISSUED.

7 SECTION 210-B. PENALTIES AND ENFORCEMENT.

8 ALL OF THE FOLLOWING APPLY:

9 (1) THE COMMISSION SHALL HAVE ALL OF THE RIGHTS, POWERS,
10 AND REMEDIES NECESSARY TO CARRYOUT THIS CHAPTER AND TO ENSURE
11 COMPLIANCE WITH THIS CHAPTER, INCLUDING REVOCATION,
12 SUSPENSION OR MODIFICATION OF A LICENSE AND THE IMPOSITION OF
13 FINES.

14 (2) WITH RESPECT TO AN INDIVIDUAL OR ENTITY THAT OFFERS
15 ADVANCED DEPOSIT ACCOUNT WAGERING TO RESIDENTS OF THIS
16 COMMONWEALTH WITHOUT A LICENSE ISSUED BY THE COMMISSION, THE
17 COMMISSION MAY TAKE THE MEASURES DEEMED NECESSARY, INCLUDING
18 REFERRAL TO THE APPROPRIATE REGULATORY AND LAW ENFORCEMENT
19 AUTHORITIES FOR CIVIL ACTION OR CRIMINAL PENALTIES.

20 SECTION 4. SECTION 301 OF THE ACT IS AMENDED TO READ:

21 SECTION 301. MANDATORY REQUIREMENTS FOR MEDICATION RULES.

22 (A) [THE COMMISSIONS SHALL HAVE IN EFFECT AT ALL TIMES WHEN]
23 WHEN A LICENSED [CORPORATION] RACING ENTITY CONDUCTS A HORSE
24 [RACING] RACE MEETING WITH PARI-MUTUEL WAGERING THE COMMISSION
25 SHALL HAVE IN EFFECT RULES OR REGULATIONS TO CONTROL THE USE AND
26 ADMINISTRATION OF ANY MEDICATION AND THE USE AND ADMINISTRATION
27 OF ANY DEVICE THAT AFFECTS THE PERFORMANCE OF A RACE HORSE. THE
28 [COMMISSIONS MAY ESTABLISH PERMITTED TOLERANCE LEVELS AND
29 THERAPEUTIC DOSE ALLOWANCES FOR ALL MEDICATION TO BE USED OR
30 ADMINISTERED TO A RACE HORSE.] COMMISSION SHALL ADOPT A

1 COMPREHENSIVE SCHEDULE OF EQUINE DRUGS, MEDICATIONS, THERAPEUTIC
2 SUBSTANCES OR METABOLIC DERIVATIVES WHICH ARE AUTHORIZED TO BE
3 ADMINISTERED TO RACE HORSES, INCLUDING TOLERANCE LEVELS AND
4 THERAPEUTIC DOSE ALLOWANCES. THE COMMISSION SHALL CONSULT WITH
5 THE PENNSYLVANIA BOARD OF VETERINARY MEDICINE, ACADEMIC
6 INSTITUTES, ASSOCIATIONS REPRESENTING THE MAJORITY OF THE HORSE
7 OWNERS AND EXPERTS AS NECESSARY TO DEVELOP THE APPROVED
8 SCHEDULE.

9 (B) THE [COMMISSIONS] COMMISSION SHALL ESTABLISH IN THEIR
10 RULES OR REGULATIONS PENALTY PROVISIONS FOR THE VIOLATION OF
11 THESE RULES OR REGULATIONS.

12 SECTION 5. SECTION 302 (A) AND (C) OF THE ACT, AMENDED MAY
13 16, 1986 (P.L.205, NO.63), ARE AMENDED TO READ:

14 SECTION 302. ESTABLISHMENT OF THE PENNSYLVANIA RACE HORSE
15 TESTING PROGRAM.

16 (A) THERE IS HEREBY ESTABLISHED THE PENNSYLVANIA RACE HORSE
17 TESTING PROGRAM. THE PROGRAM SHALL BE ADMINISTERED BY [A
18 MANAGEMENT COMMITTEE COMPOSED OF THE TWO CHAIRPERSONS OF THE
19 COMMISSIONS, THE SECRETARY OF AGRICULTURE AND TWO PERSONS
20 APPOINTED BY THE GOVERNOR. ONE PERSON APPOINTED BY THE GOVERNOR
21 MUST BE A DOCTOR OF VETERINARY MEDICINE OR A VETERINARY MEDICAL
22 DOCTOR AND A MEMBER OF THE FACULTY OF A SCHOOL OF VETERINARY
23 MEDICINE LOCATED WITHIN THIS COMMONWEALTH AND THE OTHER PERSON
24 MUST BE EMPLOYED WITHIN THE PRIVATE SECTOR AND HAVE A BACKGROUND
25 IN BIOLOGICAL AND/OR CHEMICAL LABORATORY MANAGEMENT. THE PROGRAM
26 IS PLACED IN AND MADE A PART OF THE DEPARTMENT OF AGRICULTURE]
27 THE COMMISSION IN CONSULTATION WITH THE ASSOCIATIONS
28 REPRESENTING THE MAJORITY OF THE HORSE OWNERS. ALL COSTS OF THE
29 PROGRAM SHALL BE PAID BY THE [COMMISSIONS] APPROPRIATIONS
30 ALLOCATED UNDER SECTION 304. [SUBJECT TO ALL PROVISIONS OF THE

1 ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS "THE
2 ADMINISTRATIVE CODE OF 1929," THAT APPLY TO THE DEPARTMENT, THE
3 MANAGEMENT COMMITTEE SHALL APPOINT AND DIRECT ALL PERSONNEL AS
4 NECESSARY, ESTABLISH A FACILITY OR CONTRACT FOR THE PROVISION OF
5 TESTING SERVICES, ACQUIRE ALL NECESSARY EQUIPMENT AND SUPPLIES
6 AND ADOPT ALL NECESSARY PROCEDURES.]

7 * * *

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

27 SECTION 6. SECTION 304 OF THE ACT IS AMENDED TO READ:
28 SECTION 304. COSTS OF THE ENFORCEMENT OF THE MEDICATION RULES
29 OR REGULATIONS.

30 [ALL COSTS FOR THE COLLECTION AND TESTING SAMPLES FOR ANY

1 MANNER OF MEDICATION SHALL BE PAID BY THE COMMISSIONS.]
2 ANNUALLY, THE COMMISSION SHALL ISSUE A COST STATEMENT FOR THE
3 ACTUAL COST OF THE COLLECTION AND TESTING FOR MEDICATION. THE
4 COST STATEMENT SHALL INCLUDE THE COST OF EQUIPMENT, SUPPLIES AND
5 FACILITIES, EXCEPT HOLDING BARNs OR STABLES, TO BE LOCATED AT
6 HORSE RACE MEETING FACILITIES, GROUNDS OR ENCLOSURES OR AT OTHER
7 LOCATIONS DESIGNATED BY THE COMMISSION. THE COST STATEMENT SHALL
8 BE PUBLISHED IN THE PENNSYLVANIA BULLETIN. NOTWITHSTANDING ANY
9 OTHER PROVISIONS OF LAW TO THE CONTRARY, THE DEPARTMENT OF
10 REVENUE SHALL TRANSFER TO THE COMMISSION FROM THE PENNSYLVANIA
11 RACE HORSE DEVELOPMENT FUND ON A WEEKLY BASIS AN AMOUNT EQUAL TO
12 THE COSTS ASSOCIATED WITH TESTING UNDER THIS SECTION FOR THE
13 PRIOR WEEK. TRANSFERS MADE BY THE DEPARTMENT OF REVENUE PURSUANT
14 TO THIS SECTION SHALL BE MADE PRIOR TO ANY DISTRIBUTION FROM THE
15 PENNSYLVANIA RACE HORSE DEVELOPMENT FUND PURSUANT TO SECTION
16 1723-A.1 OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176), KNOWN AS
17 THE FISCAL CODE. TRANSFERS MADE UNDER THIS SECTION SHALL NOT
18 EXCEED 5% OF THE TOTAL FUNDS AVAILABLE IN THE PENNSYLVANIA RACE
19 HORSE DEVELOPMENT FUND.

20 SECTION 7. NOTWITHSTANDING ANY OTHER LAW AND NO LATER THAN
21 180 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE STATE
22 HORSE RACING COMMISSION AND THE STATE HARNESS RACING COMMISSION
23 SHALL CEASE TO EXIST AND THE POWERS AND DUTIES OF THE STATE
24 HORSE RACING COMMISSION AND THE STATE HARNESS RACING COMMISSION
25 SHALL BE TRANSFERRED TO THE STATE HORSE RACING COMMISSION
26 ESTABLISHED UNDER THIS ACT. PRIOR TO THE TRANSFER OF THE POWERS
27 AND DUTIES OF THE STATE HORSE RACING COMMISSION AND THE STATE
28 HARNESS RACING COMMISSION TO THE STATE HORSE RACING COMMISSION,
29 THE FOLLOWING SHALL APPLY:

30 (1) THE FOLLOWING INDIVIDUALS SHALL BE TRANSFERRED TO

1 AND SHALL BECOME EMPLOYEES OF THE STATE HORSE RACING
2 COMMISSION AND THEIR STATUS AS AN EMPLOYEE OF THE DEPARTMENT
3 OF AGRICULTURE SHALL CEASE:

4 (I) AN INDIVIDUAL WHO IS EMPLOYED BY THE DEPARTMENT
5 OF AGRICULTURE AND ASSIGNED TO THE STATE HORSE RACING
6 COMMISSION OR THE STATE HARNESS RACING COMMISSION.

7 (II) AN INDIVIDUAL WHO IS EMPLOYED BY THE DEPARTMENT
8 OF AGRICULTURE AND WHOSE DUTIES SUBSTANTIALLY INVOLVE
9 LICENSING OR ENFORCEMENT, THE DEVELOPMENT OF LAWS OR THE
10 DEVELOPMENT OR ADOPTION OF REGULATIONS OR POLICY RELATED
11 TO HORSE RACING UNDER THE ACT OR WHO HAVE OTHER
12 DISCRETIONARY AUTHORITY WHICH MAY AFFECT THE OUTCOME OF
13 AN ACTION, PROCEEDING OR DECISION UNDER THE ACT.

14 (1.1) PARAGRAPH (1) SHALL NOT APPLY TO ANY INDIVIDUAL
15 ASSIGNED AS LEGAL COUNSEL TO A COMMISSION BY THE OFFICE OF
16 GENERAL COUNSEL OR TO HUMAN RELATIONS STAFF AND
17 ADMINISTRATIVE STAFF OF THE DEPARTMENT OF AGRICULTURE NOT
18 PERMANENTLY ASSIGNED TO A COMMISSION BUT WHO PROVIDE SUPPORT
19 TO THE COMMISSIONS AS REQUESTED.

20 (2) AN INDIVIDUAL TRANSFERRED UNDER PARAGRAPH (1) SHALL
21 REMAIN A STATE EMPLOYEE FOR PURPOSES OF 71 PA.C.S. PT. XXV
22 AND THE INDIVIDUAL'S SERVICE SHALL BE CONSIDERED CONTINUAL
23 AND UNINTERRUPTED.

24 (3) (RESERVED).

25 (4) SUBJECT TO THE PROVISIONS OF PARAGRAPH (10), ON AND
26 AFTER THE DATE OF TRANSFER TO THE STATE HORSE RACING
27 COMMISSION, A TRANSFERRED EMPLOYEE SHALL BE ELIGIBLE FOR PAID
28 HOLIDAYS AND THE ACCRUAL OF SICK AND ANNUAL LEAVE AND ANY
29 OTHER LEAVE IN ACCORDANCE WITH THE POLICIES OF THE
30 COMMISSION.

1 (5) SICK AND ANNUAL LEAVE ACCRUED BY A TRANSFERRED
2 EMPLOYEE PRIOR TO THE DATE OF TRANSFER SHALL BE TRANSFERRED
3 BASED UPON THE ACCRUED SICK AND ANNUAL LEAVE BALANCES
4 CREDITED TO THE TRANSFERRED EMPLOYEE BY THE DEPARTMENT OF
5 AGRICULTURE AS OF THE DAY IMMEDIATELY PRECEDING THE
6 TRANSFERRED EMPLOYEE'S DATE OF TRANSFER.

7 (6) THE DEPARTMENT OF AGRICULTURE SHALL PROVIDE PAYMENT
8 TO THE STATE HORSE RACING COMMISSION FOR THE ACCRUED SICK AND
9 ANNUAL LEAVE TIME TRANSFERRED UNDER PARAGRAPH (5). WITHIN 30
10 DAYS OF THE TRANSFER OF EMPLOYEES, THE DEPARTMENT OF
11 AGRICULTURE SHALL PROVIDE IN WRITING TO THE STATE HORSE
12 RACING COMMISSION ALL LEAVE INFORMATION REQUESTED BY THE
13 COMMISSION FOR EMPLOYEES TRANSFERRED UNDER PARAGRAPH (1).

14 (7) SUBJECT TO THE PROVISIONS OF PARAGRAPH (10), ACCRUED
15 SICK OR ANNUAL LEAVE WHICH EXCEEDS THE MAXIMUM ALLOWED BY THE
16 POLICIES OF THE STATE HORSE RACING COMMISSION IN EFFECT ON
17 THE DAY IMMEDIATELY PRECEDING THE DATE OF TRANSFER AND ANY
18 OTHER LEAVE MAY NOT BE TRANSFERRED AND CREDITED. THE
19 DEPARTMENT OF AGRICULTURE SHALL PROVIDE A LUMP SUM PAYMENT TO
20 AN INDIVIDUAL TRANSFERRED UNDER PARAGRAPH (1) FOR SICK OR
21 ANNUAL LEAVE AND ANY OTHER LEAVE WHICH IS NOT TRANSFERRED AND
22 CREDITED UNDER THIS PARAGRAPH.

23 (8) TRANSFERRED EMPLOYEES AND THEIR DEPENDENTS SHALL
24 CONTINUE TO BE ELIGIBLE TO:

25 (I) RECEIVE MEDICAL PLAN BENEFITS, SUPPLEMENTAL
26 BENEFITS AND OTHER BENEFITS AS DETERMINED BY THE TRUSTEES
27 OF THE PENNSYLVANIA EMPLOYEES BENEFITS TRUST FUND.

28 (II) ELECT COVERAGE UPON RETIREMENT UNDER THE
29 RETIRED EMPLOYEES HEALTH PROGRAM.

30 (9) THE DEPARTMENT OF AGRICULTURE SHALL BE OBLIGATED AND

1 REQUIRED TO PROVIDE A LUMP SUM PAYMENT TO THE STATE HORSE
2 RACING COMMISSION TO UNDERWRITE OR OFFSET THE COST OF ACCRUED
3 RETIRED EMPLOYEES HEALTH PROGRAM AND PENSION BENEFITS.

4 (10) ALL COLLECTIVE BARGAINING AGREEMENTS AND MEMORANDA
5 OF UNDERSTANDING, INCLUDING ANY SIDE LETTERS ATTENDANT TO A
6 COLLECTIVE BARGAINING AGREEMENT AND MEMORANDA OF
7 UNDERSTANDING, BETWEEN THE COMMONWEALTH AND AN EMPLOYEE
8 ORGANIZATION COVERING EMPLOYEES TRANSFERRED UNDER PARAGRAPH
9 (1) SHALL REMAIN IN FORCE AND EFFECT AND BINDING UPON THE
10 STATE HORSE RACING COMMISSION. AN EMPLOYEE TRANSFERRED UNDER
11 PARAGRAPH (1) WHO IS COVERED BY A COLLECTIVE BARGAINING
12 AGREEMENT OR MEMORANDUM OF UNDERSTANDING SHALL NOT BE SUBJECT
13 TO A REDUCTION IN SALARY, BENEFITS OR STATUS DERIVED FROM THE
14 COLLECTIVE BARGAINING AGREEMENT OR MEMORANDUM OF
15 UNDERSTANDING AS A RESULT OF THE TRANSFER.

16 (11) THE DEPARTMENT OF AGRICULTURE SHALL SUBMIT A REPORT
17 TO THE CHAIRMAN AND MINORITY CHAIRMAN OF THE APPROPRIATIONS
18 COMMITTEE OF THE SENATE AND THE CHAIRMAN AND MINORITY
19 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
20 REPRESENTATIVES CONTAINING THE EXPENDITURES FOR COMPENSATION
21 AND RELATED EXPENDITURES FOR INDIVIDUALS WHO ARE TRANSFERRED
22 UNDER THIS SECTION.

23 SECTION 8. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

24 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
25 IMMEDIATELY:

26 (I) SECTION 201-A OF THE ACT.

27 (II) THIS SECTION.

28 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 180
29 DAYS.