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Legislative Document

No. 519

S.P. 209

In Senate, February 19, 2013

An Act To Establish Advance Deposit Wagering for Harness Racing

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

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DAREK M. GRANT Secretary of the Senate

Presented by Senator TUTTLE of York. Cosponsored by Representative LONGSTAFF of Waterville.

| 1 | Be it enacted by the People of the State of Maine as follows: |
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| 2 3 | Sec. 1. 8 MRSA §268, as amended by PL 1999, c. 394, §1, is further amended by adding at the end a new paragraph to read: |
| 4 5 6 7 8 9 0 | The commission may adopt rules allowing advance deposit wagering at off-track betting facilities, including rules regarding the manner in which advance deposit wagering accounts may be established, the manner in which deposits may be accepted into and wagers may be made from advance deposit wagering accounts and requirements for participation and for the licensing of employees, off-track betting facilities and providers of advance deposit wagering services. Rules adopted pursuant to this paragraph are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A. |
| 1 | Sec. 2. 8 MRSA §275-A, sub-§§2-A and 2-B are enacted to read: |
| 2 3 4 5 | 2-A. Advance deposit wagering. "Advance deposit wagering" means a form of pari-mutuel wagering in which the bettor places funds in a wagering account administered by an advance deposit wagering operator and then authorizes the operator to place wagers from the account on the bettor's behalf. |
| 6 7 | 2-B. Advance deposit wagering operator. "Advance deposit wagering operator" means an off-track betting facility that is a host facility for advance deposit wagering. |
| 8 | Sec. 3. 8 MRSA §275-A, sub-§7-A is enacted to read: |
| 9 0 1 2 3 4 | 7-A. Net commission. "Net commission" means the total commission derived from advance deposit wagering after subtracting the amount of the contract cost of the advance deposit wagering operator in contracting with an advance deposit wagering service provider and an amount equal to 6.5% of the total commission that is retained by the advance deposit wagering operator for expenses of the advance deposit wagering operation. |
| 5 | Sec. 4. 8 MRSA §286, sub-§§8 and 9 are enacted to read: |
| 6 7 8 9 | 8. Advance deposit wagering intrastate simulcasting with commingled pools. The distribution of the commission on advance deposit wagering in simulcasting of races with commingled pools originating at a racetrack within the State is calculated as a percentage of the net commission and distributed as follows. |
| 0 | A. On exotic wagers: |
| 1 | (1) The state share is 2.578%; |
| 2 | (2) The Sire Stakes Fund share is 1.551%: |
| 3 | (3) The Stipend Fund share is 1.169%: |
| 4 | (4) The horsemen's purse share is 7.871%; |
| | (5) The Harness Racing Promotional Fund share is 0.25%: |
| 5 | (6) The track share is 7.922%; and |

| 1 | (7) The advance deposit wagering operator share is 4.659%. |
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| 2 | B. On regular wagers: |
| 3 | (1) The state share is 0.813%; |
| 4 | (2) The Sire Stakes Fund share is 0.072%; |
| 5 | (3) The Stipend Fund share is 1.186%; |
| 6 | (4) The horsemen's purse share is 5.062%; |
| 7 | (5) The Harness Racing Promotional Fund share is 0.25%; |
| 8 | (6) The track share is 7.899%; and |
| 9 | (7) The advance deposit wagering operator share is 2.718%. |
| 10 11 12 13 | 9. Advance deposit wagering interstate simulcasting with commingled pools. The distribution of the commission on advance deposit wagering in simulcasting of races with commingled pools originating at a racetrack in another state is calculated as a percentage of the net commission and distributed as follows. |
| 14 | A. On exotic wagers: |
| 15 | (1) The state share is 9.801%; |
| 16 | (2) The Sire Stakes Fund share is 5.965%; |
| 17 | (3) The Stipend Fund share is 4.494%; |
| 18 | (4) The purse supplement share is 16.558%; |
| 19 | (5) The Harness Racing Promotional Fund share is 0.962%; |
| 20 | (6) The off-track betting facility simulcast fund share is 12.951%; |
| 21 22 23 24 25 | (7) The advance deposit wagering operator share is an amount equal to 24.6345% plus an additional 8.2115% for each off-track betting facility that is a partner in advance deposit wagering with the advance deposit wagering operator, the total share amount of this subparagraph to be shared equally among all advance deposit wagering partners; and |
| 26 27 28 29 | (8) The off-track betting facility that is not a partner in advance deposit wagering share is an amount equal to 49.269% minus the amount of share in subparagraph (7), to be shared equally among all off-track betting facilities that are not advance deposit wagering partners. |
| 30 | B. On regular wagers: |
| 31 | (1) The state share is 4.405%; |
| 32 | (2) The Sire Stakes Fund share is 0.400%; |
| 33 | (3) The Stipend Fund share is 6.590%; |
| 34 | (4) The purse supplement share is 8.399%; |
| 35 | (5) The Harness Racing Promotional Fund share is 1.389%; |

1 (6) The off-track betting facility simulcast fund share is 18.627%;

- 2 (7) The advance deposit wagering operator share is an amount equal to 30.095% 3 plus an additional 10.031666% for each off-track betting facility that is a partner
- in advance deposit wagering with the advance deposit wagering operator, the
 total share amount of this subparagraph to be shared equally among all advance
 deposit wagering partners; and
- 7 (8) The off-track betting facility that is not a partner in advance deposit wagering
 8 share is an amount equal to 60.19% minus the amount of share in subparagraph
 9 (7), to be shared equally among all off-track betting facilities that are not advance
 10 deposit wagering partners.
- 11 Sec. 5. 8 MRSA §§300-B and 300-C are enacted to read:

12 §300-B. Advance deposit wagering

13 1. Facilities allowed to participate in advance deposit wagering. An off-track 14 betting facility licensed under section 275-D and in existence on the effective date of this section may conduct advance deposit wagering including establishing advance deposit 15 wagering accounts, accepting deposits and making wagers from the accounts, 16 17 individually or in partnership with one or more licensees under section 275-D in existence on the effective date of this section. The off-track betting facility or partnership 18 may employ or contract with a provider of advance deposit wagering services located 19 20 within the United States that is approved by the commission.

21 2. Form of deposit. A deposit into an advance deposit wagering account may be
 22 made in person or via the Internet, telephone or other electronic or communication
 23 device.

24 §300-C. Internet gambling

25 A person or state agency or department authorized to conduct gambling activity in the State through the Internet shall distribute 22% of the total commission of the Internet 26 gambling activity as follows: the share for the fund to supplement harness racing purses 27 28 under section 298 is 10%, the Sire Stakes Fund share is 3%, the Fund to Encourage 29 Racing at Maine's Commercial Tracks share is 4%, the Agricultural Fair Support Fund share is 3% and the Fund to Stabilize Off-track Betting Facilities share is 2%. For the 30 31 purposes of this section, "gambling activity" has the same meaning as in section 1001, 32 subsection 15.

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SUMMARY

This bill authorizes existing off-track betting facilities in the State to conduct advance deposit wagering for pari-mutuel horse racing either individually or in partnership with other off-track betting facilities. The bill authorizes the State Harness Racing Commission to administer the conduct of advance deposit wagering and sets out the distribution of the net commission to various uses and funds. The bill also requires any person or state department or agency who is authorized to conduct gambling activity in

- the State through the Internet to distribute 22% of the total commission of this Internet gambling activity to various state harness racing funds and purposes. 1
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