

# HOUSE RESEARCH

## Bill Summary

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### Overview

This bill makes changes to current racing and pari-mutuel betting laws with respect to the second licensed racetrack in the metropolitan area: the harness track in Anoka County. The bill allows a metropolitan-area racetrack to enter an agreement to pay a percentage of simulcasting and card club revenues for purses at another metropolitan-area racetrack. It authorizes a metropolitan-area racetrack to conduct simulcasting on all breeds if the racetrack agrees to contribute to the purse set-aside account and breeders fund of another metropolitan-area racetrack the same amounts that would have been set aside had the simulcast occurred at the other racetrack. It also modifies the requirements for simulcasting at the harness track and allows the Racing Commission (commission) to authorize a card club at the harness track as soon as the commission has assigned 50 days of live racing at the track for the calendar year.

### Section

- 1 Additional license; metropolitan area.** Clarifies language stating that the only live horse racing allowed at a racetrack receiving the second metropolitan-area license is standardbred racing.
- 2 Sharing of purse set-aside and breeders fund revenues.** Authorizes a metropolitan-area racetrack licensee to:

## Section

- enter an agreement with a horsepersons' organization representing a breed that does not race at the licensee's racetrack, under which the licensee agrees to pay a percentage of simulcasting and card club revenues for purses at another metropolitan-area racetrack; and
- conduct simulcasting on all breeds if it: (1) enters an agreement with another metropolitan-area racetrack regarding simulcasting of any breed raced at the other metropolitan-area racetrack, and (2) contributes to the purse set-aside account and breeders fund of another metropolitan-area racetrack the amounts that would have been set aside for purses and the breeders fund had the simulcast been conducted at the other racetrack.

**3 Simulcasting.** Under current law, a racetrack cannot transmit out-of-state telecasts of races without first obtaining the approval of the majority of horsepersons racing the same breed at the racetrack during the preceding 12 months. This section modifies this requirement for the racetrack receiving the *second* metropolitan-area license from the racing commission. During the first year the second metropolitan-area racetrack is operating, the racetrack would need approval from the horsepersons' organization representing the majority of horsepersons who *will race* at the facility during the first year of operation before transmitting out-of-state telecasts.

States that section 0 is an exception from the general rule that races at a metropolitan-area racetrack can only be simulcast if they are run by a breed that ran at a racetrack during the preceding 12 months.

**4 Card club revenue.** Current law requires a racetrack to set aside a fixed percentage of card club revenues for purses, but allows a racetrack and the horsepersons' organization representing the majority of horsepersons who have raced at that racetrack during the preceding 12 months to negotiate different percentages for purses (if the agreement is in writing and approved by the racing commission). This section modifies the current requirement to allow the second metropolitan-area racetrack licensed by the commission to negotiate different purse percentages with the horsepersons' organization representing the majority of persons who *will race* at the racetrack during the first calendar year of its operation.

**5 Limitation (card clubs).** Under current law, the commission cannot authorize a licensee to operate a card club unless the licensee has conducted at least 50 days of live racing at a racetrack during the past 12 months or during the preceding calendar year. This section modifies this requirement to allow the commission to authorize the operation of a card club at the second metropolitan-area racetrack licensed by the commission (for the first 12 months of the racetrack's operation) as soon as the commission has assigned 50 or more days of live racing at the racetrack during the racetrack's first 12 months of operation.