

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 400

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO HORSE RACING; AMENDING SECTION 54-2513, IDAHO CODE, TO REVISE PROVISIONS RELATING TO THE FISCAL YEAR-END BALANCE IN THE RACING COMMISSION ACCOUNT AND TO MAKE A TECHNICAL CORRECTION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 54-2513, Idaho Code, be, and the same is hereby amended to read as follows:

54-2513. HORSE RACING -- DISTRIBUTIONS OF DEPOSITS -- BREAKAGE. (A) Each licensee conducting the pari-mutuel system for live and simulcast horse races having an average daily handle in excess of one hundred thousand dollars (\$100,000) shall distribute all sums deposited in any pool as follows:

(1) Eighty-two percent (82%) of any win, place or show pool to the winner thereof, and eighteen percent (18%) to the licensee;

(2) Seventy-seven and one-quarter percent (77.25%) of all two (2) horse exotic wagers including, but not limited to, daily doubles and quinellas to the winner thereof, three-quarters of one percent (.75%) to the racing commission for deposit in the racing commission account, and twenty-two percent (22%) to the licensee;

(3) Seventy-five and one-quarter percent (75.25%) of all three (3) or more horse exotic wagers including, but not limited to, trifecta and twin-trifecta to the winner thereof, three-quarters of one percent (.75%) to the racing commission for deposit in the racing commission account, and twenty-four percent (24%) to the licensee.

(B) Each licensee conducting the pari-mutuel system for live and simulcast horse races having an average daily handle in excess of one hundred thousand dollars (\$100,000) shall retain the sums deposited in any pool as required in subsection (A) of this section, for distribution and payment based upon gross daily receipts as follows:

(1) One and one-quarter percent (1.25%) of gross daily receipts, separately stated, shall be paid to the Idaho state racing commission, for deposit in the racing commission account, which is hereby created in the state regulatory fund.

(2) One-half of one percent (.50%) of gross daily receipts from horse races, separately stated, shall be paid to the Idaho state racing commission for deposit in the track distribution account, which is hereby created in the pari-mutuel distribution fund, for further distribution to certain Idaho horse race tracks, defined as follows:

a. Recipient horse racing tracks shall be those which, during the race meet year of distribution, have a total race handle from both live races and simulcast races of less than five million dollars (\$5,000,000);

1 b. Distributions to recipient horse racing tracks shall be
2 weighted proportionately on the number of days raced during the
3 year of distribution.

4 All moneys in the track distribution account are hereby continuously
5 appropriated to the commission for payment as required by this section.
6 Payments to horse racing tracks shall be made annually but not later
7 than December 15.

8 (3) One-half of one percent (.50%) of gross daily receipts from horse
9 races, separately stated shall be paid by the licensee to the commis-
10 sion for deposit in the breed distribution account, which is hereby cre-
11 ated in the pari-mutuel distribution fund, for payment by the commis-
12 sion in proportion to the handle generated by each horse breed, to law-
13 fully constituted representatives of each horse breed, to benefit own-
14 ers and/or breeders of Idaho bred racing thoroughbreds, racing quarter
15 horses, racing Appaloosas, racing paints and racing Arabians, subject
16 to the approval of the commission. Moneys in the breed distribution ac-
17 count on December 31 of each year which have not been distributed by the
18 commission shall be paid to the public school income fund.

19 All moneys in the breed distribution account are hereby continuously
20 appropriated to the commission for payment as required by this section.
21 Payments to representatives shall be made quarterly.

22 (4) From the balance of gross daily receipts remaining with the li-
23 censee after the distributions required in subsection (B) (1), (2) and
24 (3) of this section from horse races, the following amounts shall be
25 paid or retained:

26 a. From the first \$20,000 of gross daily receipts, the licensee
27 shall retain the entire amount;

28 b. From the next \$10,000 of gross daily receipts (gross daily re-
29 ceipts between \$20,000 and \$30,000), the public school income fund
30 and the equine education account shall each receive one-eighth of
31 one percent (.125%), and the licensee shall retain the balance;

32 c. From the next \$10,000 of gross daily receipts (gross daily re-
33 ceipts between \$30,000 and \$40,000), the public school income fund
34 and the equine education account shall each receive sixty-two and
35 one-half hundredths percent (.625%), and the licensee shall re-
36 tain the balance;

37 d. From all amounts of over \$40,000 of gross daily receipts, the
38 public school income fund and the equine education account shall
39 each receive one and one-eighth percent (1.125%), and the licensee
40 shall retain the balance.

41 The public schools' and the equine education account's share shall be
42 paid by the licensee to the racing commission for deposit in the public
43 school income fund or the equine education account as appropriate. The
44 licensee's percentage shall be retained by the licensee.

45 (C) Each licensee conducting the pari-mutuel system for live and simul-
46 cast horse races having an average daily handle of one hundred thousand dol-
47 lars (\$100,000) or less shall distribute all sums deposited in any pool as
48 follows:

49 (1) Seventy-seven percent (77%) of any win, place or show pool to the
50 winner thereof, and twenty-three percent (23%) to the licensee;

1 (2) Seventy-six and one-quarter percent (76.25%) of all other pools to
 2 the winner thereof, three-quarters of one percent (.75%) to the racing
 3 commission for deposit in the racing account, and twenty-three percent
 4 (23%) to the licensee.

5 (D) Each licensee conducting the pari-mutuel system for live and
 6 simulcast horse races shall retain twenty-three percent (23%) of all sums
 7 deposited in any pool, for distribution and payment based upon gross daily
 8 receipts as follows:

9 (1) One and one-quarter percent (1.25%) of gross daily receipts, sepa-
 10 rately stated, shall be paid to the Idaho state racing commission, for
 11 deposit in the racing commission account.

12 (2) One-half of one percent (.50%) of gross daily receipts from horse
 13 races, separately stated, shall be paid to the Idaho state racing com-
 14 mission for deposit in the track distribution account, for further dis-
 15 tribution to certain Idaho horse race tracks, defined as follows:

16 a. Recipient horse racing tracks shall be those which, during the
 17 race meet year of distribution, have a total race handle from both
 18 live races and simulcast races of less than five million dollars
 19 (\$5,000,000);

20 b. Distributions to recipient horse racing tracks shall be
 21 weighted proportionately on the number of days raced during the
 22 year of distribution.

23 All moneys in the track distribution account are hereby continuously
 24 appropriated to the commission for payment as required by this section.
 25 Payments to horse racing tracks shall be made annually but not later
 26 than December 15.

27 (3) One-half of one percent (.50%) of gross daily receipts from horse
 28 races, separately stated shall be paid by the licensee to the commis-
 29 sion for deposit in the breed distribution account, for payment by the
 30 commission in proportion to the handle generated by each horse breed,
 31 to lawfully constituted representatives of each horse breed, to benefit
 32 owners and/or breeders of Idaho bred racing thoroughbreds, racing quar-
 33 ter horses, racing Appaloosas, racing paints and racing Arabians, sub-
 34 ject to the approval of the commission. Moneys in the breed distribu-
 35 tion account on December 31 of each year which have not been distributed
 36 by the commission shall be paid to the public school income fund. All
 37 moneys in the breed distribution account are hereby continuously appro-
 38 priated to the commission for payment as required by this section. Pay-
 39 ments to representatives shall be made quarterly.

40 (4) Twenty and three-quarters percent (20.75%) of gross daily receipts
 41 from horse races shall be paid or retained as follows:

42 a. From the first \$20,000 of gross daily receipts, the licensee
 43 shall retain twenty and three-quarters percent (20.75%);

44 b. From the next \$10,000 of gross daily receipts (gross daily re-
 45 ceipts between \$20,000 and \$30,000), the public school income fund
 46 and the equine education account shall each receive one-eighth of
 47 one percent (.125%), and the licensee shall retain twenty and one-
 48 half percent (20.50%);

49 c. From the next \$10,000 of gross daily receipts (gross daily re-
 50 ceipts between \$30,000 and \$40,000), the public school income fund

1 and the equine education account shall each receive sixty-two and
2 one-half hundredths percent (.625%), and the licensee shall re-
3 tain nineteen and one-half percent (19.50%);

4 d. From all amounts of over \$40,000 of gross daily receipts, the
5 public school income fund and the equine education account shall
6 each receive one and one-eighth percent (1.125%), and the licensee
7 shall retain eighteen and one-half percent (18.50%).

8 The public schools' share and the equine education account's share
9 shall be paid by the licensee to the racing commission for deposit in the
10 public school income fund or the equine education account as appropri-
11 ate. The licensee's percentage shall be retained by the licensee.

12 (E) Each licensee may retain the odd cents of all redistribution to be
13 based on each dollar deposited exceeding a sum equal to the next lowest mul-
14 tiple of ten (10), known as breakage, and the total amount of unclaimed tick-
15 ets at the termination of the time allowed by rule of the commission.

16 (F) If the fiscal year-end balance in the racing commission account ex-
17 ceeds six hundred thousand dollars (\$460,000), the excess shall be trans-
18 ferred by the office of the state controller to the pari-mutuel distribution
19 fund, which is hereby created, for further distribution as follows:

20 (1) Sixty percent (60%) shall be deposited in the Idaho horse
21 owner/breeder award account, which is hereby created in the pari-mutuel
22 distribution fund, and shall be distributed by the racing commission
23 annually, but not later than December 15 of each year as follows:

24 a. Fifty percent (50%) to the breeders of Idaho bred winners based
25 on the number of live races by each breed for the current calendar
26 year; and

27 b. Fifty percent (50%) in equal amounts to owners of Idaho bred
28 horse race winners.

29 c. All moneys in the Idaho horse owner/breeder award account are
30 hereby continuously appropriated to the commission for payment as
31 required in this section.

32 (2) Forty percent (40%) shall be deposited in the track purse enhance-
33 ment account, which is hereby created, and paid to all Idaho licensed
34 horse racetracks for the purpose of purse enhancement based on the num-
35 ber of live race dates held the preceding calendar year. Track purse en-
36 hancement moneys shall be disbursed no later than thirty (30) days af-
37 ter Idaho state racing commission approval of live race meet license ap-
38 plications for the forthcoming calendar year. All moneys in the track
39 purse enhancement account are hereby continuously appropriated to the
40 commission for payment as required by this section.