

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 23

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO THE IDAHO STATE RACING COMMISSION; AMENDING SECTION
2 54-2502, IDAHO CODE, TO DEFINE A TERM; AMENDING CHAPTER 25, TITLE
3 54, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 54-2505A, IDAHO
4 CODE, TO PROVIDE FOR COMMISSION FUNDS; AMENDING SECTION 54-2508,
5 IDAHO CODE, TO REVISE PROVISIONS RELATING TO THE SIMULCAST PURSE
6 MONEYS FUND; AMENDING SECTION 54-2509, IDAHO CODE, TO PROVIDE
7 THAT CERTAIN MONETARY PENALTIES SHALL BE DEPOSITED INTO THE
8 RACING COMMISSION FUND, TO PROVIDE FOR THE EXCLUSION OF CERTAIN
9 PERSONS FROM ANY RACING ASSOCIATION OR SIMULCAST OPERATOR'S
10 GROUNDS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION
11 54-2512, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND
12 TO REVISE PROVISIONS RELATING TO ADVANCE DEPOSIT WAGERING;
13 AMENDING SECTION 54-2513, IDAHO CODE, TO PROVIDE CORRECT
14 TERMINOLOGY, TO DELETE REFERENCE TO THE CREATION OF CERTAIN
15 ACCOUNTS, TO DELETE REFERENCE TO THE CONTINUOUS APPROPRIATION
16 OF CERTAIN MONEYS AND TO MAKE TECHNICAL CORRECTIONS; AND
17 AMENDING SECTION 54-2514, IDAHO CODE, TO PROVIDE CORRECT
18 TERMINOLOGY AND TO DELETE REFERENCE TO THE STATE TREASURY.
19

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

21 SECTION 1. That Section 54-2502, Idaho Code, be, and the same is hereby amended to
22 read as follows:

23 54-2502. DEFINITIONS. Unless the context otherwise requires, words and phrases as
24 used herein shall mean:

- 25 (1) "Commission" means the Idaho state racing commission, hereinafter created.
- 26 (2) "Gross daily receipts" means the total of all sums deposited in all pools for each race
27 day.
- 28 (3) "Horsemen's group" means an organization composed of licensed owners and/or
29 trainers duly registered with the secretary of state and recognized by the Idaho racing
30 commission.
- 31 (4) "Host facility" means the racetrack at which the race is run, or the facility which is
32 designated as the host facility if the race is run in a jurisdiction which is not participating in the
33 interstate combined wagering pool.
- 34 (5) "Host jurisdiction" means the jurisdiction in which the host facility is located.
- 35 (6) "Interstate common wagering pool" means a pari-mutuel pool established in one (1)
36 jurisdiction which is combined with comparable pari-mutuel pools from one (1) or more racing
37 jurisdictions. Such pool is established for the purpose of establishing pay-off prices in the
38 various jurisdictions.

1 (7) "Pari-mutuel" means any system whereby wagers with respect to the outcome of
 2 a race are placed with, or in, a wagering pool conducted by a person licensed or otherwise
 3 permitted to do so under state law, and in which the participants are wagering with each other
 4 and not against the operator.

5 (8) "Persons" means and includes individuals, firms, corporations and associations.

6 (9) "Pool" means the total sum of all moneys wagered in each race for each type of bet.
 7 Types of bets include win, place, show, quinella, daily double, exacta, trifecta, etc., and such
 8 other types as are approved by the commission from time to time.

9 (10) "Public school income fund" means the fund in the state treasury created pursuant to
 10 the provisions of section 33-903, Idaho Code.

11 (11) "Race meet" means and includes any exhibition of thoroughbred, purebred, and/or
 12 registered horse racing, mule racing or dog racing, where the pari-mutuel system of wagering
 13 is used. Singular includes the plural and plural includes the singular; and words importing one
 14 gender shall be regarded as including all other genders.

15 (12) "Racing jurisdiction" or "jurisdiction" means a governmental jurisdiction
 16 responsible for the regulation of pari-mutuel racing in that jurisdiction.

17 (13) "Simulcast" means the telecast or other transmission of live audio and visual signals
 18 of a race, transmitted from a sending track to a receiving location, for the purpose of wagering
 19 conducted on the race at the receiving location.

20 SECTION 2. That Chapter 25, Title 54, Idaho Code, be, and the same is hereby amended
 21 by the addition thereto of a NEW SECTION, to be known and designated as Section 54-2505A,
 22 Idaho Code, and to read as follows:

23 54-2505A. COMMISSION FUNDS. (1) The following funds are hereby created in the
 24 state treasury:

25 (a) The racing commission fund. Moneys in the racing commission fund shall consist of
 26 moneys deposited in the fund pursuant to this chapter.

27 (b) The simulcast purse moneys fund. The simulcast purse moneys fund shall consist of
 28 all simulcast purse moneys that are accrued by the commission as required by horsemen's
 29 agreements or are otherwise deposited in the fund pursuant to this chapter.

30 (c) The advance deposit wagering fund. Moneys in the advance deposit wagering fund
 31 shall consist of all moneys deposited in the fund pursuant to this chapter.

32 (d) The track operating fund. Moneys in the track operating fund shall consist of all
 33 moneys deposited in the fund pursuant to this chapter.

34 (e) The equine education fund. Moneys in the equine education fund shall consist of all
 35 moneys deposited in the fund pursuant to this chapter.

36 (f) The pari-mutuel distribution fund. Moneys in the pari-mutuel distribution fund shall
 37 consist of all moneys deposited in the fund pursuant to this chapter. The pari-mutuel
 38 distribution fund shall contain the following sub-funds:

39 (i) The track distribution fund. Moneys in the track distribution fund shall
 40 consist of moneys deposited in the fund pursuant to this chapter.

41 (ii) The breed distribution fund. Moneys in the breed distribution fund shall
 42 consist of moneys deposited in the fund pursuant to this chapter.

43 (iii) The Idaho horse breeders' and owners' award fund. Moneys in the Idaho
 44 horse breeders' and owners' award fund shall consist of moneys deposited in the
 45 fund pursuant to this chapter.

1 (g) Track purse enhancement fund. Moneys in the track purse enhancement fund shall
2 consist of moneys deposited in the fund pursuant to this chapter.

3 (2) Moneys in the funds created by this section are hereby perpetually appropriated to the
4 Idaho state racing commission.

5 (3) The state treasurer shall invest idle moneys in the funds created by this section and
6 any interest received on those investments shall be returned to the respective fund.

7 (4) The commission shall distribute moneys in the funds created by this section in
8 accordance with the provisions of this chapter and the rules of the commission.

9 SECTION 3. That Section 54-2508, Idaho Code, be, and the same is hereby amended to
10 read as follows:

11 54-2508. LICENSE – APPLICATION THEREFOR – TYPE AND NUMBER OF
12 RACES – FEE PER DAY – REFUND – CANCELLATION – HEARING – SIMULCAST
13 PURSE MONEYS FUND. (1) It shall be unlawful for any person to hold any race meet in
14 this state without having first obtained and having in force and effect a license issued by the
15 commission as in this chapter provided. Every person making application for a license to hold
16 a race meet, under the provisions of this chapter, shall file an application with the commission
17 which shall set forth the time, place and number of days such will continue, an agreement
18 with a horsemen's group as the term "horsemen's group" is defined in section 54-2502, Idaho
19 Code, and such other information as the commission may require. The agreement shall be
20 reached voluntarily or pursuant to binding arbitration in conformance with chapter 9, title 7,
21 Idaho Code, and shall address, but not be limited to, number of live race days and percentage
22 of the live race and simulcast handle that is dedicated to the live horse race purse structure.
23 In addition, the agreement shall provide that all simulcast purse moneys that are accrued as
24 required by the horsemen's agreement be held in the simulcast purse moneys fund, ~~created~~
25 ~~pursuant to the provisions of this section.~~ Race days agreed upon shall be submitted to the
26 Idaho racing commission for its approval.

27 (2) No person who has been convicted of any crime involving moral turpitude shall be
28 issued a license of any kind, nor shall any license be issued to any person who has violated the
29 terms or provisions of this chapter, or any of the rules of the commission, or who has failed to
30 pay any of the fees, taxes or moneys required under the provisions of this chapter.

31 (3) All applications to hold race meets shall be submitted to the commission which shall
32 act upon such applications within thirty (30) days. The commission shall be the sole judge of
33 whether or not the race meet shall be licensed and the number of days the meet shall continue.

34 (4) The license issued shall specify the kind and character of the race meets to be held,
35 the number of days the race meet shall continue and the number of races per day. For those
36 licensees or facilities that have had a total race handle from both live races and simulcast
37 races exceeding five million dollars (\$5,000,000) during the last calendar year in operation, the
38 number of races per day shall not be less than eight (8) and the number of days of racing
39 shall not be less than forty-six (46). For those licensees or facilities that have had a total race
40 handle from both live races and simulcast races of five million dollars (\$5,000,000) or less
41 during the last calendar year in operation, the number of races per day shall not be less than
42 six (6) and the number of days of racing shall not be less than two (2). The licensee shall pay
43 in advance of the scheduled race meet to the state treasurer a fee of not less than twenty-five
44 dollars (\$25.00) for each day of racing, which fees shall be placed in the public school income
45 fund of the state of Idaho. Provided, that if unforeseen obstacles arise, which prevent the

1 holding, or completion of any race meet, the license fee held may be refunded the licensee,
 2 if the commission deems the reason for failure to hold or complete the race meet sufficient.
 3 Any unexpired license held by any person who violates any of the provisions of this chapter,
 4 pursuant thereto, or who fails to pay to the commission any and all sums required under the
 5 provisions of this chapter, shall be subject to cancellation and revocation by the commission.
 6 Such cancellation shall be made only after a summary hearing before the commission, of which
 7 three (3) days' notice in writing shall be given the licensee, specifying the grounds for the
 8 proposed cancellation, and at which hearing the licensee shall be given an opportunity to be
 9 heard in opposition to the proposed cancellation.

10 ~~(5) The simulcast purse moneys fund is hereby created in the state treasury. Moneys in~~
 11 ~~the fund shall consist of all simulcast purse moneys that are accrued as required by horsemen's~~
 12 ~~agreements. Moneys in the fund are hereby perpetually appropriated to the Idaho state racing~~
 13 ~~commission for distribution pursuant to the provisions of horsemen's agreements and rules of~~
 14 ~~the commission. The commission is authorized to promulgate rules providing for the receipt,~~
 15 ~~deposit, withdrawal and distribution of such moneys in the simulcast purse moneys fund.~~
 16 ~~The state treasurer shall invest idle moneys in the fund and any interest received on those~~
 17 ~~investments shall be returned to the fund.~~

18 SECTION 4. That Section 54-2509, Idaho Code, be, and the same is hereby amended to
 19 read as follows:

20 54-2509. PENALTY FOR VIOLATIONS OF LAW – POWER OF COMMISSION. (1)
 21 Any person holding a race meet, and any other person required by this ~~act~~ chapter or the rules
 22 of the commission to be licensed, participating, directly or indirectly, in a race meet, without
 23 first being licensed by the commission, and any person violating any of the terms or provisions
 24 of this ~~act~~ chapter is guilty of a misdemeanor.

25 (a) There shall be an absolute prohibition of the use of live lures in the state of Idaho
 26 for the training of or racing of racing dogs. Any violation of the provisions of this
 27 section shall be a felony punishable by a fine not exceeding twenty-five thousand dollars
 28 (\$25,000), or by a prison term not to exceed seven (7) years, or by both such fine and
 29 imprisonment. In addition the state racing commission shall not license any breeder,
 30 trainer or kennel whose dogs have been trained or raced with the use of live lures. The
 31 racing commission shall adopt rules that will provide for the humane treatment of the
 32 dogs involved in any aspect of training for or engaging in dog racing.

33 (2) The commission shall have the power to exclude from any ~~and all race courses~~ racing
 34 association or simulcast operator's grounds in this state any person who the commission deems
 35 detrimental to the best interests of racing, or any person who violates any of the provisions of
 36 this ~~act~~ chapter or any rule or order of the commission.

37 (3) It shall be lawful to conduct race meets on or at a ~~race track~~ racetrack, or otherwise,
 38 at any time during the week.

39 (4) Any person maintaining a license issued by the commission, who violates the
 40 provisions of this ~~act~~ chapter or the rules of the commission, may have such license suspended
 41 or revoked. In addition to such suspension or revocation the commission may levy a monetary
 42 penalty commensurate with the gravity of the offense, not to exceed two thousand five hundred
 43 dollars (\$2,500). The commission, by rule shall provide a summary procedure for such
 44 determination at the track, the penalty amount for specified violations, and shall provide for
 45 an appeal of any summary decision to the commission. At-the-track summary proceedings

1 shall not be subject to the provisions of chapter 52, title 67, Idaho Code. Hearings and appeals
 2 before the commission as allowed by this ~~act~~ chapter or the rules of the commission shall be
 3 subject to chapter 52, title 67, Idaho Code, except the provisions of section 67-5254(2), Idaho
 4 Code, which ~~is~~ are inconsistent with the unique requirements of racing.

5 (5) All law enforcement officers in this state shall assist in the enforcement of this ~~act~~
 6 chapter and the rules of the commission.

7 (6) Monetary penalties collected by the commission pursuant to this section shall be
 8 deposited in the racing commission fund.

9 SECTION 5. That Section 54-2512, Idaho Code, be, and the same is hereby amended to
 10 read as follows:

11 54-2512. PARI-MUTUEL BETTING – OTHER BETTING ILLEGAL. (1) Any licensee
 12 conducting a race meet under this chapter may provide a place or places in the race meet
 13 grounds or enclosure at which such licensee may conduct and supervise the use of the
 14 pari-mutuel system by patrons on the result of the races conducted by such licensee at such race
 15 meet and, upon written application by a licensee and approval by the commission, on the result
 16 of simulcast and/or televised races. The commission shall issue no more than one (1) license to
 17 simulcast per live race meet licensee and there shall be no more simulcasting sites in the state
 18 than there are licensed live race meet sites.

19 (2) Licenses authorizing simulcast and/or televised races will be regulated by the
 20 commission, in addition to its other responsibilities, for the purpose of enhancing, promoting,
 21 and protecting the live race industry in the state of Idaho. No license authorizing simulcasting
 22 and/or televised races shall be issued to or renewed for persons that are not also licensed to
 23 conduct live race meets in the state of Idaho. Persons applying for a simulcast and/or televised
 24 race license shall have an agreement reached voluntarily or pursuant to binding arbitration
 25 in conformance with chapter 9, title 7, Idaho Code, with a horsemen's group as the term
 26 "horsemen's group" is defined in section 54-2502, Idaho Code. The agreement shall address,
 27 but not be limited to, number of live race days and percentage of the live race and simulcast
 28 handle that is dedicated to the live horse race purse structure. In addition, the agreement
 29 shall provide that all simulcast purse moneys that are accrued as required by the horsemen's
 30 agreement be held in the simulcast purse moneys fund created pursuant to the provisions of
 31 section ~~54-2508~~ 54-2505A, Idaho Code. Race days agreed upon shall be submitted to the
 32 Idaho racing commission for its approval.

33 (3) Such pari-mutuel system conducted at such race meet shall not under any
 34 circumstances, if conducted under the provisions of this chapter and in conformity thereto and
 35 to the rules of the commission, be held or construed to be unlawful, other statutes of this state
 36 to the contrary notwithstanding.

37 (4) The participation by a licensee in an interstate combined wagering pool does not
 38 cause that licensee to be considered to be doing business in any jurisdiction other than the
 39 jurisdiction in which the licensee is physically located.

40 (5) Advance deposit wagering on live and/or simulcast horse racing conducted by
 41 licensees is hereby declared to be lawful and within the scope of the licensee's license. As
 42 used in this section, "advance deposit wagering" means a form of wagering in which an account
 43 holder may deposit money with a licensee and then use the balance to fund wagers. The
 44 bettor can then contact the licensee from a location without actually being physically present
 45 at the licensee's premises in order to communicate the desired use of those funds for wagering

1 purposes. However, no wager can be accepted by the licensee that exceeds the amount in the
 2 account held by the licensee for the person placing the wager. Any advance deposit wagering
 3 conducted by a person with a provider outside of the state by telephone or other electronic
 4 means shall be illegal unless that provider is licensed by the Idaho state racing commission
 5 and provides a source market fee of not less than ten percent (10%) of the handle forwarded
 6 monthly to the commission. ~~All moneys in the advance deposit wagering accounts held by the~~
 7 ~~commission are hereby continuously appropriated to the commission for payment as required~~
 8 ~~by this section~~ for deposit in the advance deposit wagering fund. Payments to recipients shall
 9 be made annually. Distribution of the source market fee shall be forty percent (40%) to purses
 10 to be deposited directly into the horsemen's purse account at all tracks weighted by number
 11 of races ran through the year of distribution, thirty percent (30%) to the simulcast sites in
 12 the state weighted by the annual simulcast handle, five percent (5%) to the track distribution
 13 fund, five percent (5%) to the breed distribution fund, five percent (5%) to the ~~Idaho state~~
 14 ~~racing commission fund~~, five percent (5%) to the public school income fund, and ten percent
 15 (10%) for to the track operating fund to be distributed by the commission for expenses at the
 16 live tracks with distribution from the track operating fund weighted on the number of race
 17 days. ~~All moneys in the track operating accounts are hereby continuously appropriated to the~~
 18 ~~commission for payment as required by this section.~~ For purposes of this section, wagering
 19 instructions concerning funds held in an advance deposit account with a licensee shall be
 20 deemed to be issued within the licensee's enclosure. As used in this section, "source market
 21 fee" means that part of a wager, made outside of the state by an Idaho resident, that is returned
 22 to the state of Idaho. The commission may promulgate rules pursuant to chapter 52, title 67,
 23 Idaho Code, to implement the provisions of this subsection.

24 (6) Pari-mutuel taxes or commissions may not be imposed on any amounts wagered in an
 25 interstate combined wagering pool other than amounts wagered within this jurisdiction.

26 (7) It shall be unlawful to conduct pool selling, bookmaking, or to circulate handbooks,
 27 or to bet or wager on a race of any licensed race meet, other than by the pari-mutuel system;
 28 and it shall further be unlawful knowingly to permit any minor to use the pari-mutuel system.

29 SECTION 6. That Section 54-2513, Idaho Code, be, and the same is hereby amended to
 30 read as follows:

31 54-2513. HORSE RACING – DISTRIBUTIONS OF DEPOSITS – BREAKAGE. (A)
 32 Each licensee conducting the pari-mutuel system for live and simulcast horse races having an
 33 average daily handle in excess of one hundred thousand dollars (\$100,000) shall distribute all
 34 sums deposited in any pool as follows:

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

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

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

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

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

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

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

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

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

20 (3) One-half of one percent (.50%) of gross daily receipts from horse races, separately
 21 stated, shall be paid by the licensee to the commission for deposit in the breed distribution
 22 ~~account, which is hereby created in the pari-mutuel distribution~~ fund, for payment by
 23 the commission in proportion to the handle generated by each horse breed, to lawfully
 24 constituted representatives of each horse breed, to benefit owners and/or breeders of
 25 Idaho bred racing thoroughbreds, racing quarter horses, racing Appaloosas, racing paints
 26 and racing Arabians, subject to the approval of the commission. Moneys in the breed
 27 distribution ~~account~~ fund on December 31 of each year which have not been distributed
 28 by the commission shall be paid to the public school income fund.

29 ~~All moneys in the breed distribution account are hereby continuously appropriated to~~
 30 ~~the commission for payment as required by this section.~~ Payments to representatives shall
 31 be made quarterly.

32 (4) From the balance of gross daily receipts remaining with the licensee after the
 33 distributions required in subsection (B)(1), (2) and (3) of this section from horse races, the
 34 following amounts shall be paid or retained:

35 a. From the first twenty thousand dollars (\$20,000) of gross daily receipts, the
 36 licensee shall retain the entire amount;

37 b. From the next ten thousand dollars (\$10,000) of gross daily receipts (gross
 38 daily receipts between twenty thousand dollars (\$20,000) and thirty thousand
 39 dollars (\$30,000)), the public school income fund and the equine education
 40 ~~account~~ fund shall each receive one-eighth of one percent (.125%), and the
 41 licensee shall retain the balance;

42 c. From the next ten thousand dollars (\$10,000) of gross daily receipts (gross
 43 daily receipts between thirty thousand dollars (\$30,000) and forty thousand dollars
 44 (\$40,000)), the public school income fund and the equine education ~~account~~ fund
 45 shall each receive sixty-two and one-half hundredths percent (.625%), and the
 46 licensee shall retain the balance;

1 d. From all amounts of over forty thousand dollars (\$40,000) of gross daily
 2 receipts, the public school income fund and the equine education ~~account~~ fund
 3 shall each receive one and one-eighth percent (1.125%), and the licensee shall
 4 retain the balance.

5 The public schools' and the equine education ~~account's~~ fund's share shall be paid by
 6 the licensee to the racing commission for deposit in the public school income fund or the
 7 equine education ~~account~~ fund as appropriate. The licensee's percentage shall be retained
 8 by the licensee.

9 (C) Each licensee conducting the pari-mutuel system for live and simulcast horse races
 10 having an average daily handle of one hundred thousand dollars (\$100,000) or less shall
 11 distribute all sums deposited in any pool as follows:

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

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

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

20 (1) One and one-quarter percent (1.25%) of gross daily receipts, separately stated, shall
 21 be paid to the Idaho state racing commission, for deposit in the racing commission
 22 ~~account~~ fund.

23 (2) One-half of one percent (.50%) of gross daily receipts from horse races, separately
 24 stated, shall be paid to the Idaho state racing commission for deposit in the track
 25 distribution ~~account~~ fund, for further distribution to certain Idaho horse ~~race tracks~~
 26 racetracks, defined as follows:

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

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

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

35 (3) One-half of one percent (.50%) of gross daily receipts from horse races, separately
 36 stated, shall be paid by the licensee to the commission for deposit in the breed distribution
 37 ~~account~~ fund, for payment by the commission in proportion to the handle generated by
 38 each horse breed, to lawfully constituted representatives of each horse breed, to benefit
 39 owners and/or breeders of Idaho bred racing thoroughbreds, racing quarter horses, racing
 40 Appaloosas, racing paints and racing Arabians, subject to the approval of the commission.
 41 Moneys in the breed distribution ~~account~~ fund on December 31 of each year which have
 42 not been distributed by the commission shall be paid to the public school income fund.
 43 ~~All moneys in the breed distribution account are hereby continuously appropriated to the~~
 44 ~~commission for payment as required by this section.~~ Payments to representatives shall be
 45 made quarterly.

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

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

5 b. From the next ten thousand dollars (\$10,000) of gross daily receipts (gross
6 daily receipts between twenty thousand dollars (\$20,000) and thirty thousand
7 dollars (\$30,000)), the public school income fund and the equine education
8 ~~account~~ fund shall each receive one-eighth of one percent (.125%), and the
9 licensee shall retain twenty and one-half percent (20.50%);

10 c. From the next ten thousand dollars (\$10,000) of gross daily receipts (gross
11 daily receipts between thirty thousand dollars (\$30,000) and forty thousand dollars
12 (\$40,000)), the public school income fund and the equine education ~~account~~ fund
13 shall each receive sixty-two and one-half hundredths percent (.625%), and the
14 licensee shall retain nineteen and one-half percent (19.50%);

15 d. From all amounts of over forty thousand dollars (\$40,000) of gross daily
16 receipts, the public school income fund and the equine education ~~account~~ fund
17 shall each receive one and one-eighth percent (1.125%), and the licensee shall
18 retain eighteen and one-half percent (18.50%).

19 The public schools' share and the equine education ~~account's~~ fund's share shall be paid
20 by the licensee to the racing commission for deposit in the public school income fund
21 or the equine education ~~account~~ fund as appropriate. The licensee's percentage shall be
22 retained by the licensee.

23 (E) Each licensee may retain the odd cents of all redistribution to be based on each dollar
24 deposited exceeding a sum equal to the next lowest multiple of ten (10), known as breakage,
25 and the total amount of unclaimed tickets at the termination of the time allowed by rule of the
26 commission.

27 (F) If the fiscal year-end balance in the racing commission ~~account~~ fund exceeds
28 \$400,000, the excess shall be transferred by the office of the state controller to the pari-mutuel
29 distribution fund, ~~which is hereby created~~, for further distribution as follows:

30 (1) Sixty percent (60%) shall be deposited in the Idaho horse ~~owner/~~ breeders' and
31 owners' award ~~account, which is hereby created in the pari-mutuel distribution fund,~~ and
32 shall be distributed by the racing commission annually, but not later than December 15 of
33 each year as follows:

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

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

38 ~~e. All moneys in the Idaho owner/breeder award account are hereby continuously~~
39 ~~appropriated to the commission for payment as required in this section.~~

40 (2) Forty percent (40%) shall be deposited in the track purse enhancement ~~account,~~
41 ~~which is hereby created,~~ fund and paid to all Idaho licensed horse racetracks for
42 the purpose of purse enhancement based on the number of live race dates held the
43 preceding calendar year. Track purse enhancement moneys shall be disbursed no
44 later than thirty (30) days after Idaho state racing commission approval of live race
45 meet license applications for the forthcoming calendar year. ~~All moneys in the track~~

~~purse enhancement account are hereby continuously appropriated to the commission for payment as required by this section.~~

SECTION 7. That Section 54-2514, Idaho Code, be, and the same is hereby amended to read as follows:

54-2514. DOG RACING – DISTRIBUTION OF DEPOSITS – BREAKAGE. (1) Each licensee conducting the pari-mutuel system for simulcast or televised dog races shall distribute all sums deposited in any pool as follows:

(a) Seventy-nine and one-half percent (79.5%) of any win, place or show pool to the winner thereof, and twenty and one-half percent (20.5%) to the licensee;

(b) Seventy-seven percent (77%) of all two (2) dog exotic wagers including, but not limited to, daily doubles and quinellas to the winner thereof, and twenty-three percent (23%) to the licensee;

(c) Seventy-five percent (75%) of all three (3) or more dog exotic wagers including, but not limited to, trifecta, twin trifecta, pick three, pick six and superfecta, to the winner thereof, and twenty-five percent (25%) to the licensee.

(2) Each licensee conducting the pari-mutuel system for simulcast or televised dog races shall retain the sums deposited in any pool as required in subsection (1) of this section, for distribution and payment based upon gross daily receipts as follows:

(a) 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~~ fund.

(b) One percent (1%) of gross daily receipts, separately stated, shall be paid to the Idaho state racing commission for payment to the county in which the dog racing facility is located. The board of county commissioners shall spend such revenues only for visitor promotion.

(c) One-half percent (.5%) of gross daily receipts, separately stated, shall be paid to the Idaho state racing commission for deposit in the Idaho horse breeders' and owners' award ~~account in the state treasury~~ fund for further distribution as follows:

(i) Fifty percent (50%) of all moneys deposited in the Idaho horse breeders' and owners' award ~~account~~ fund shall be distributed by the racing commission annually but not later than December 15, to the breeders of Idaho bred winners of each approved horse race in Idaho in proportion to the handle generated by each breed; and

(ii) Fifty percent (50%) of all moneys deposited in the Idaho horse breeders' and owners' award ~~account~~ fund shall be distributed by the racing commission annually but not later than December 15, in equal amounts to owners of Idaho bred horse race winners.

(d) From the balance of gross daily receipts remaining with the licensee after the distributions required in subsections (1)(a), (b) and (c) of this section from simulcast or televised dog races, the following amounts shall be paid or retained:

(i) From the first twenty thousand dollars (\$20,000) of gross daily receipts, the licensee shall retain the entire amount;

(ii) From the next ten thousand dollars (\$10,000) of gross daily receipts, (gross daily receipts between twenty thousand dollars (\$20,000) and thirty thousand

1 dollars (\$30,000)) the public school income fund shall receive one-quarter of one
2 percent (.25%) and the licensee shall retain the balance;

3 (iii) From the next ten thousand dollars (\$10,000) of gross daily receipts (gross
4 daily receipts between thirty thousand dollars (\$30,000) and forty thousand dollars
5 (\$40,000)) the public school income fund shall receive one and one-quarter percent
6 (1.25%) and the licensee shall retain the balance;

7 (iv) From all amounts of over forty thousand dollars (\$40,000) of gross daily
8 receipts, the public school income fund shall receive two and one-quarter percent
9 (2.25%) and the licensee shall retain the balance.

10 (3) Each licensee may retain the odd cents of all redistribution to be based on each dollar
11 deposited exceeding a sum equal to the next lowest multiple of ten (10), known as breakage,
12 and the total amount of unclaimed tickets at the termination of the time allowed by rule of the
13 commission.