

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.