54-2501. SHORT TITLE. This act may be cited as the "Idaho racing act."

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

1. "Commission" means the Idaho state racing commission, hereinafter created.

2. "Gross daily receipts" means the total of all sums deposited in all pools for each race day.

3. "Historical horse race" means a race involving live horses that was conducted in the past and that is rebroadcast by electronic means and shown on a delayed or replayed basis for the purposes of wagering conducted at a facility that is authorized to show simulcast and/or televised races.

4. "Horsemen's group" means an organization composed of licensed owners and/or trainers duly registered with the secretary of state and recognized by the Idaho racing commission.

5. "Host facility" means the racetrack at which the race is run, or the facility which is designated as the host facility if the race is run in a jurisdiction which is not participating in the interstate combined wagering pool.

6. "Host jurisdiction" means the jurisdiction in which the host facility is located.

7. "Interstate common wagering pool" means a pari-mutuel pool established in one (1) jurisdiction which is combined with comparable pari-mutuel pools from one (1) or more racing jurisdictions. Such pool is established for the purpose of establishing pay-off prices in the various jurisdictions.

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


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

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

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

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


54-2503. RACING COMMISSION CREATED -- APPOINTMENT -- REMOVAL -- CLAIMS. There is hereby created in the Idaho state police the Idaho state racing commission, to consist of three (3) members, who shall be citizens, residents, and qualified electors of the state of Idaho.

The members of said commission shall be appointed by the governor within thirty (30) days after this act takes effect, one (1) for a term to expire on the Thursday following the second Monday in January, 1965, and one (1) for a term to expire on the Thursday following the second Monday in January, 1967, and one (1) for a term to expire on the Thursday following the second Monday in January, 1969, and upon the expiration of the term of any member of said commission, the governor shall appoint a successor for a term of six (6) years. All appointments to the Idaho state racing commission shall be subject to the approval of the senate.

Each member shall hold office until his successor is appointed and qualified. Vacancies on the commission shall be filled by appointment to be made by the governor for the unexpired term.

Any member may be removed from office by the governor for cause after a public hearing. Notice of said hearing shall fix the time and place of hearing and shall specify the charges. Copy of the notice of hearing shall be served on the member by mailing the same to the member at his last known address at least ten (10) days before the date fixed for said hearing.


54-2504. CHAIRMAN -- QUORUM -- COSTS. The commission shall organize by electing one (1) of its members chairman. Two (2) members of the commission shall constitute a quorum for the transaction of any and all business of the commission.

Each member of the board shall be compensated as provided by section 59-509(h), Idaho Code. Moneys used for the compensation of members shall be drawn from commission funds.

The commission may incur all such costs, charges and expenses as are reasonably necessary in carrying out the intent and purposes of this act.

All claims and expenditures under this act shall be first audited and passed upon by the commission, and, when approved, shall be paid in the manner provided by law for the payment of claims against the state of Idaho.

54-2505. COMMISSION'S ANNUAL REPORT -- PUBLIC RECORD. The commission shall keep detailed records of all meetings and of the business transacted therein, and all licenses applied for and issued, reports of which shall be embodied in an annual report which the commission shall prepare and submit to the governor on or before the thirty-first day of March of each year. Said annual report shall cover the activities of the commission, including the financial report of the commission and a financial summary of licensees subject to section 54-2508, Idaho Code, and organizations of licensees defined in section 54-2502(4), Idaho Code, for the preceding year in addition to the aforementioned. All records of the commission shall be public records, and as such, subject to public inspection.


54-2506. DUTIES OF COMMISSION AND LICENSEES -- LICENSE FEE. It shall be the duty of the commission, as soon as possible after its organization, to prepare and promulgate a complete set of rules and regulations to govern race meets and the pari-mutuel system. It shall be the duty of each person holding a license under the authority of the act to comply with this act and with all the rules and regulations promulgated and all orders issued by the commission. It shall be unlawful for any person, except race meet licensees coming within the provisions of section 54-2508, Idaho Code, to participate, directly or indirectly, in any race meet without first securing and having in full force and effect, a license therefor from the commission. The license fee for such license shall be set by the commission and shall be paid to the commission.

The commission shall, by rule and regulation, determine which persons participating, directly or indirectly, in race meets shall require licenses.

[54-2506, added 1963, ch. 64, sec. 6, p. 246; am. 1969, ch. 221, sec. 2, p. 724; am. 1974, ch. 96, sec. 1, p. 1196; am. 1983, ch. 64, sec. 1, p. 147.]

54-2507. AUTHORITY OF COMMISSION. (1) The commission created by this act is hereby authorized and it shall be its duty to license, regulate, and supervise all race meets held in this state under the terms of this act, and to cause the various places where race meets are held to be visited and inspected at least once a year.

(2) Notwithstanding any other provision of this chapter, the commission may authorize any licensee to participate in an interstate common wagering pool with one (1) or more other racing jurisdictions. Anytime that a licensee participates in an interstate pool, the licensee may adopt, with the authorization of the commission, the take-out of the host jurisdiction or facility.

(3) The commission may permit a licensee to use one (1) or more of its races for an interstate common wagering pool at locations outside its jurisdiction, and may allow pari-mutuel pools in other states to be combined with pari-mutuel pools in its jurisdiction for the purpose of establishing an interstate common wagering pool.
54-2508. LICENSE -- APPLICATION THEREFOR -- TYPE AND NUMBER OF RACES -- FEE PER DAY -- REFUND -- CANCELLATION -- HEARING -- SIMULCAST PURSE MONEYS FUND. It shall be unlawful for any person to hold any race meet in this state without having first obtained and having in force and effect a license issued by the commission as in this chapter provided. Every person making application for a license to hold a race meet, under the provisions of this chapter, shall file an application with the commission which shall set forth the time, place and number of days such will continue, an agreement with a horsemen's group as the term "horsemen's group" is defined in section 54-2502, Idaho Code, and such other information as the commission may require. The agreement shall be reached voluntarily or pursuant to binding arbitration in conformance with chapter 9, title 7, Idaho Code, and shall address, but not be limited to, number of live race days and percentage of the live race and simulcast handle that is dedicated to the live horse race purse structure. In addition, the agreement shall provide that all simulcast purse moneys that are accrued as required by the horsemen's agreement be held in the simulcast purse moneys fund created pursuant to the provisions of this section. Race days agreed upon shall be submitted to the Idaho racing commission for its approval.

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

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

The license issued shall specify the kind and character of the race meets to be held, the number of days the race meet shall continue and the number of races per day. For those licensees or facilities that have had a total race handle from both live races and simulcast races exceeding five million dollars ($5,000,000) during the last calendar year in operation, the number of races per day shall not be less than eight (8), and the number of days of racing shall not be less than forty-six (46) unless otherwise agreed by the licensee and the horsemen's group. Provided however, the number of days of racing shall not be less than fifteen (15) and the number of days of racing shall be approved by the Idaho racing commission. For those licensees or facilities that have had a total race handle from both live races and simulcast races of five million dollars ($5,000,000) or less during the last calendar year in operation, the number of races per day shall not be less than six (6) and the number of days of racing shall not be less than two (2). The licensee shall pay in advance of the scheduled race meet to the state treasurer a fee of not less than twenty-five dollars ($25.00) for each day of racing, which fees shall be placed in the public school income fund of the state of Idaho. Provided, that if unforeseen obstacles arise, which prevent the holding, or completion of any race meet, the license fee held may be refunded the licensee, if the commission deems the reason for failure to hold or complete the race meet sufficient. Any unexpired license held by any
person who violates any of the provisions of this chapter, pursuant thereto, or who fails to pay to the commission any and all sums required under the provisions of this chapter, shall be subject to cancellation and revocation by the commission. Such cancellation shall be made only after a summary hearing before the commission, of which three (3) days' notice in writing shall be given the licensee, specifying the grounds for the proposed cancellation, and at which hearing the licensee shall be given an opportunity to be heard in opposition to the proposed cancellation.

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


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

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

(2) The commission shall have the power to exclude from any and all race courses in this state any person who the commission deems detrimental to the best interests of racing, or any person who violates any of the provisions of this act or any rule or order of the commission.

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

(4) Any person maintaining a license issued by the commission, who violates the provisions of this act or the rules of the commission, may have such license suspended or revoked. In addition to such suspension or revocation the commission may levy a monetary penalty commensurate with the gravity of the offense, not to exceed two thousand five hundred dollars ($2,500). The commission, by rule shall provide a summary procedure for such determination at the track, the penalty amount for specified violations, and shall pro-
vide for an appeal of any summary decision to the commission. At-the-track summary proceedings shall not be subject to the provisions of chapter 52, title 67, Idaho Code. Hearings and appeals before the commission as allowed by this act or the rules of the commission shall be subject to chapter 52, title 67, Idaho Code, except the provisions of section 67-5254(2), Idaho Code, which is inconsistent with the unique requirements of racing.

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


54-2510. RACE EXCLUSIVELY FOR IDAHO BRED HORSES -- BONUS FOR IDAHO BRED WINNERS. (1) For the purpose of encouraging the breeding, within this state, of valuable thoroughbred, purebred and/or registered horses, at least one race each day at each horse race meet shall be limited to Idaho bred horses. If in the opinion of the commission sufficient competition cannot be had among such class of horses, said race may be written as an Idaho bred preferred race instead.

(2) A sum equal to ten percent (10%) of the first place purse money won by an Idaho bred horse shall be paid by the licensee conducting the race meet to the breeder of such horse. All purse moneys derived from pari-mutuel racing and all purse enhancement moneys from the Idaho state racing commission shall be included in the calculation of these breeder payments. All nominating and sustaining fees, and any moneys from outside sponsors shall be excluded from the calculation of these breeder payments.


54-2511. PUBLIC LIABILITY INSURANCE. For the protection of the public, and all members thereof, the exhibitors and visitors, every person licensed to conduct a race meet under the provisions of this act shall carry public liability insurance in an amount and form of contract and with a company to be approved by the commission.

[54-2511, added 1963, ch. 64, sec. 11, p. 246; am. 1969, ch. 221, sec. 1, p. 724.]

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

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

3) Upon written application by a live horse race licensee and approval by the Idaho state racing commission, a license may be issued to conduct and supervise the use of the pari-mutuel system by patrons on the result of simulcast and/or televised races in a facility not located on the grounds of a live horse race meet facility, but within the county that the live horse race facility is located, subject to the following restrictions:
   (a) In addition to the distribution and payment of the handle as described in section 54-2513, Idaho Code, a licensee operating under a license described in this subsection shall pay to the Idaho state racing commission for deposit in the live horse race purse distribution fund, a minimum of one percent (1%) of the gross daily receipts from simulcast and/or televised races. The Idaho state racing commission shall distribute the moneys from the live horse race purse distribution fund to those live horse race licensees that ran less than fifteen (15) live race days during the preceding calendar year. The distribution shall be made by dividing the total number of live race days of all of the qualified live horse racetracks combined into the moneys collected by the fund in any one (1) calendar year and by multiplying the result by the number of days run by each of the respective live horse racetracks individually; and
   (b) Additionally, the licensee shall pay to the Idaho state racing commission a minimum of one percent (1%) of the gross daily receipts from simulcast and/or televised races conducted pursuant to the [live horse] race purse distribution fund to the licensee whose license is being utilized to conduct simulcast and/or televised races pursuant to this section. These moneys shall be used by the licensee solely for live horse race meet purses; and
   (c) Approval must be obtained from the board of county commissioners; and
   (d) A license to conduct and supervise the use of the pari-mutuel system by patrons on the result of simulcast and/or televised races issued pursuant to this section may be leased to another person or entity but only with the approval of the Idaho state racing commission. A lessee of such a license shall be held by the Idaho state racing commission to the same standards as the original licensee.

(4) Upon written application by a live horse race licensee and approval by the Idaho state racing commission, a license may be issued to conduct and supervise the use of the pari-mutuel system by patrons on the result of
simulcast and/or televised races in a facility located in another county within the state other than the county where the licensee's live racetrack facility is located subject to the following restrictions:

(a) In addition to the distribution and payment of the handle as described in section 54-2513, Idaho Code, a licensee operating under a license described in this subsection shall pay to the Idaho state racing commission for deposit in the live horse race purse distribution fund, a minimum of one percent (1%) of the gross daily receipts from simulcast and/or televised races. The Idaho state racing commission shall distribute the moneys from the live horse race purse distribution fund to those live horse race licensees that ran less than fifteen (15) live race days during the preceding calendar year. The distribution shall be made by dividing the total number of live race days of all of the qualified live horse racetracks combined into the moneys collected by the fund in any one (1) calendar year and by multiplying the result by the number of days run by each of the respective live horse racetracks individually; and

(b) Additionally, the licensee shall pay to the Idaho state racing commission a minimum of one percent (1%) of the gross daily receipts from simulcast and/or televised races conducted pursuant to the live horse race purse distribution fund to the licensee whose license is being utilized to conduct simulcast and/or televised races pursuant to this section. These moneys shall be used by the licensee solely for live horse race meet purses; and

(c) Approval must be obtained from the board of county commissioners of the county in which the simulcast and/or televised race facility is to be located; and

(d) A license to conduct and supervise the use of the pari-mutuel system by patrons on the result of simulcast and/or televised races issued under this section may be leased to another person or entity, but only with the approval of the Idaho state racing commission. A lessee of such a license shall be held by the Idaho state racing commission to the same standards as the original licensee.

(e) No simulcast and/or televised race license transferred from one (1) county to another shall be located in a facility within thirty (30) miles of a live horse racetrack without the approval of that live horse racetrack facility.

(f) No simulcast and/or televised race license can be transferred into a county that has had a live race license within the prior five (5) years.

(5) No more than one (1) simulcast and/or televised race facility per county shall be allowed. This includes the one (1) simulcast license authorized in section 54-2514A, Idaho Code.

(6) There is hereby created in the state treasury the live horse race purse distribution fund, to which shall be deposited moneys received by the Idaho state racing commission for the purposes described in this section. All moneys in the live horse race purse distribution fund are hereby perpetually appropriated to the Idaho state racing commission for payment as required in this section. Payments by the Idaho state racing commission from the live horse race purse distribution fund to the recipient live horse racetracks shall be made no later than thirty (30) days after Idaho state racing commission approval of a live race meet license application for the forthcoming calendar year.
(7) Once a total handle exceeding fourteen million dollars ($14,000,000) is realized from simulcasting and/or televised races conducted pursuant to this section in any one (1) calendar year, the Idaho state racing commission shall submit to the Idaho horse board a sum of five percent (5%) of the balance over fourteen million dollars ($14,000,000), but not to exceed twelve thousand five hundred dollars ($12,500) to be used by the Idaho horse board for youth programs and to the "Idaho Robert R. Lee Promise Scholarship Program" as detailed in chapter 43, title 33, Idaho Code, a sum of five percent (5%) of the balance over fourteen million dollars ($14,000,000), but not to exceed twelve thousand five hundred dollars ($12,500).

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

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

(10) Advance deposit wagering on live and/or simulcast horse racing conducted by licensees is hereby declared to be lawful and within the scope of the licensee's license. As used in this section, "advance deposit wagering" means a form of wagering in which an account holder may deposit money with a licensee and then use the balance to fund wagers. The bettor can then contact the licensee from a location without actually being physically present at the licensee's premises in order to communicate the desired use of those funds for wagering purposes. However, no wager can be accepted by the licensee that exceeds the amount in the account held by the licensee for the person placing the wager. Any advance deposit wagering conducted by a person with a provider outside of the state by telephone or other electronic means shall be a felony unless that provider is licensed by the Idaho state racing commission and provides a source market fee of not less than ten percent (10%) of the handle forwarded monthly to the commission. In order to receive an advance deposit wagering license, the applicant must comply with the provisions of subsection (12) of this section and must also reach a nondiscriminatory agreement regarding signal costs with any licensed facility in Idaho if such provider or affiliate is sending interstate simulcast signals to such licensed facility in Idaho. All moneys in the advance deposit wagering accounts held by the commission are hereby continuously appropriated to the commission for payment as required by this section. Payments to recipients shall be made annually. Distribution of the source market fee shall be forty percent (40%) to purses to be deposited directly into the horsemen's purse account at all tracks weighted by number of races ran through the year of distribution, thirty percent (30%) to the simulcast sites in the state weighted by the annual simulcast handle, five percent (5%) to the track distribution fund [account], five percent (5%) to the breed distribution fund [account], five percent (5%) to the Idaho state racing commission, five percent (5%) to the public school income fund, and ten percent (10%) for track operating expenses at the live tracks with distribution weighted on the number of race days. All moneys in the track operating accounts are hereby continuously appropriated to the commission for payment as required by this section. For purposes of this section,
wagering instructions concerning funds held in an advance deposit account shall be deemed to be issued within the licensee's enclosure. As used in this section, "source market fee" means that part of a wager, made outside of the state by an Idaho resident, that is returned to the state of Idaho. The commission may promulgate rules pursuant to chapter 52, title 67, Idaho Code, to implement the provisions of this subsection.

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

(12) No licensee shall engage in any anticompetitive or deceptive practices in the process of contracting for the right to send any interstate simulcast signal to a licensed facility in Idaho. For purposes of this subsection, anticompetitive or deceptive practices shall include, but not be limited to:

(a) Any agreement to charge excessive or unreasonable fees for the right to receive an interstate signal. In determining whether a fee is excessive or unreasonable, the commission shall consider prevailing rates paid for comparable signals in the past, prevailing rates paid outside Idaho and whether any commonality of ownership or revenue sharing exists, partially or wholly, between the Idaho licensee and the entity receiving the simulcast fees; or

(b) Any agreement, combination, trust or joint enterprise with any other track or entity in which multiple interstate signals are bundled together for the purpose of securing an excessive or unreasonable fee for one (1) or more signals in the group in exchange for the right to receive any of the signals in the group; or

(c) Any other activity with the purpose or effect of artificially inflating prices beyond reasonable market rates or passing on or attempting to pass on any portion of the ten percent (10%) advance deposit wagering fee to licensed facilities in Idaho.

The commission may suspend or revoke licenses and may impose civil penalties of up to ten thousand dollars ($10,000) per occurrence for violation of this subsection.

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


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

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

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

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

(4) From the balance of gross daily receipts remaining with the licensee after the distributions required in subsection (B)(1), (2) and (3) of this section from horse races, the following amounts shall be paid or retained:
   a. From the first $20,000 of gross daily receipts, the licensee shall retain the entire amount;
b. From the next $10,000 of gross daily receipts (gross daily receipts between $20,000 and $30,000), the public school income fund and the equine education account shall each receive one-eighth of one percent (.125%), and the licensee shall retain the balance;
c. From the next $10,000 of gross daily receipts (gross daily receipts between $30,000 and $40,000), the public school income fund and the equine education account shall each receive sixty-two and one-half hundredths percent (.625%), and the licensee shall retain the balance;
d. From all amounts of over $40,000 of gross daily receipts, the public school income fund and the equine education account shall each receive one and one-eighth percent (1.125%), and the licensee shall retain the balance.

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

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

(1) Seventy-seven percent (77%) of any win, place or show pool to the winner thereof, and twenty-three percent (23%) to the licensee;
(2) Seventy-six and one-quarter percent (76.25%) of all other pools to the winner thereof, three-quarters of one percent (.75%) to the racing commission for deposit in the racing account, and twenty-three percent (23%) to the licensee.

(D) Each licensee conducting the pari-mutuel system for live and simulcast horse races shall retain twenty-three percent (23%) of all sums deposited in any pool, 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.
(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, 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);
   b. Distributions to recipient horse racing tracks shall be weighted proportionately on the number of days raced during the year of distribution.

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

(3) One-half of one percent (.50%) of gross daily receipts from horse races, separately stated shall be paid by the licensee to the commission for deposit in the breed distribution account, for payment by the commission in proportion to the handle generated by each horse breed,
to lawfully constituted representatives of each horse breed, to benefit owners and/or breeders of Idaho bred racing thoroughbreds, racing quarter horses, racing Appaloosas, racing paints and racing Arabians, subject to the approval of the commission. Moneys in the breed distribution account on December 31 of each year which have not been distributed by the commission shall be paid to the public school income fund. All moneys in the breed distribution account are hereby continuously appropriated to the commission for payment as required by this section. Payments to representatives shall be made quarterly.
(4) Twenty and three-quarters percent (20.75%) of gross daily receipts from horse races shall be paid or retained as follows:
   a. From the first $20,000 of gross daily receipts, the licensee shall retain twenty and three-quarters percent (20.75%);
   b. From the next $10,000 of gross daily receipts (gross daily receipts between $20,000 and $30,000), the public school income fund and the equine education account shall each receive one-eighth of one percent (.125%), and the licensee shall retain twenty and one-half percent (20.50%);
   c. From the next $10,000 of gross daily receipts (gross daily receipts between $30,000 and $40,000), the public school income fund and the equine education account shall each receive sixty-two and one-half hundredths percent (.625%), and the licensee shall retain nineteen and one-half percent (19.50%);
   d. From all amounts of over $40,000 of gross daily receipts, the public school income fund and the equine education account shall each receive one and one-eighth percent (1.125%), and the licensee shall retain eighteen and one-half percent (18.50%).

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

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

(F) If the fiscal year-end balance in the racing commission account exceeds six hundred thousand dollars ($600,000), the excess shall be transferred by the office of the state controller to the pari-mutuel distribution fund, which is hereby created, for further distribution as follows:
(1) Sixty percent (60%) shall be deposited in the Idaho horse owner/breeder award account, which is hereby created in the pari-mutuel distribution fund, and shall be distributed by the racing commission annually, but not later than December 15 of each year as follows:
   a. Fifty percent (50%) to the breeders of Idaho bred winners based on the number of live races by each breed for the current calendar year; and
   b. Fifty percent (50%) in equal amounts to owners of Idaho bred horse race winners.
   c. All moneys in the Idaho horse owner/breeder award account are hereby continuously appropriated to the commission for payment as required in this section.
(2) Forty percent (40%) shall be deposited in the track purse enhancement account, which is hereby created, and paid to all Idaho licensed
horse racetracks for the purpose of purse enhancement based on the number of live race dates held the preceding calendar year. Track purse enhancement moneys shall be disbursed no later than thirty (30) days after Idaho state racing commission approval of live race 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.


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 quinellias 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.

(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 for further distribution as follows:

(i) Fifty percent (50%) of all moneys deposited in the Idaho horse breeders' and owners' award account 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 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 dollars ($30,000)) the public school income fund shall receive one-quarter of one percent (.25%) and the licensee shall retain the balance;

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

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

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


54-2514A. DOG RACING ILLEGAL AFTER THE EFFECTIVE DATE OF THIS ACT. (1) On and after the effective date of this act, live dog races and pari-mutuel betting on such races or the training of dogs to compete in live dog races shall be illegal in the state of Idaho. Notwithstanding any other provision of law to the contrary, the provisions of this section shall not be deemed to alter or affect simulcasts and simulcast pari-mutuel wagering at a facility that was licensed and authorized prior to January 1, 1996, to conduct live dog races and pari-mutuel wagering on them prior to the effective date of this act, and horse and dog race simulcasts and pari-mutuel wagering on such simulcasts may be conducted at that facility, or at an alternate facility in the same county and approved by the commission as if the facility were still licensed and under the same conditions and restrictions imposed by law on a licensee. Under no circumstances shall the provisions of this section or section 54-2512, Idaho Code, be used to grant more than one (1) license to conduct simulcast pari-mutuel wagering in any county. Any person participating or conducting a live dog race or pari-mutuel betting on such a live dog race or the training of dogs to compete in live dog races in violation of this section shall be guilty of a felony.

(2) The provisions of subsection (1) of this section shall not apply to exhibition-style live dog races upon which no pari-mutuel betting occurs on or off the site of the race or training, where the maximum track length and race does not exceed one hundred fifty (150) feet, or to the training of dogs to compete in exhibition-style live dog races, conducted at county fairs. The proper care, humane treatment and protection of a dog participating in
an exhibition dog race shall be the responsibility of its owner, and all dog races and associated training shall be conducted in a manner consistent with the provisions of chapter 35, title 25, Idaho Code.

(3) The provisions of subsection (1) of this section shall not apply to a sled dog race or to the training of dogs for a sled dog race meeting the requirements of this subsection and upon which no pari-mutuel betting occurs on or off the site of the race or training. A "sled dog race" means a timed competition of teams of sled dogs that pull a sled with the dog musher standing on the runners of the sled. The proper care, humane treatment and protection of a dog participating in a sled dog race shall be the responsibility of its owner, and all sled dog races and associated training shall be conducted in a manner consistent with the provisions of chapter 35, title 25, Idaho Code.


54-2515. EXEMPTION FROM FEE PAYMENT -- PAYMENT OF SUMS DUE COMMISSION -- PAYMENT TO PUBLIC SCHOOL INCOME FUND. Fair boards or fair districts which conduct race meets in connection with regularly scheduled annual fairs shall be exempt from payment of the fees provided in section 54-2508, Idaho Code. All sums due the commission from the licensee shall be paid to and retained by the commission for the payment of salaries, travel, operating costs and any other expenses necessary to carry out the provisions of this act, except that no payment need be made for office accommodations furnished by the state: provided, however, that no salary, wages, expenses or compensation of any kind shall be paid by the state of Idaho for, or in connection with, the work of the commission in carrying out the provisions of this act. All sums due the public school income fund shall be collected by the commission, and, on the next business day following the receipt thereof, shall be paid to the state treasurer for deposit in the public school income fund of the state treasury.


54-2516. LICENSEE'S RIGHT TO WITHHOLD DEPOSITS. (1) In the event any government or governmental agency imposes a levy on a licensee, by a special tax on the money so deposited under the pari-mutuel system, or upon or against his receipts therefrom, the said licensee may withhold in addition to the aforesaid per centum and breakage, as provided in section 54-2513 or section 54-2514, Idaho Code, the amount of the tax so levied.

(2) Breakage for interstate combined wagering pools shall be calculated in accordance with the statutes or rules of the host jurisdiction, and must be distributed among the participating jurisdictions in a manner agreed to among the jurisdictions.

[(54-2516) 1963, ch. 64, sec. 15, p. 246; am. 1991, ch. 56, sec. 4, p. 109; amended and redesignated 1992, ch. 19, sec. 6, p. 63.]

54-2517. BOND REQUIREMENT. Every race meet licensee shall provide and deliver to the commission a bond signed by a surety company licensed to do business in this state in such form and in the sum as may be required by the
commission, and conditioned that said licensee will pay to the state of Idaho all moneys due the state under the provisions of this act.

[(54-2517) 1963, ch. 64, sec. 16, p. 246; am. 1969, ch. 221, sec. 6, p. 724; redesignated 1992, ch. 19, sec. 7, p. 63.]