



HOUSE BILL No. 4116

January 17, 1995, Introduced by Rep. Alley and referred to the Committee on Regulatory Affairs.

A bill to amend sections 7 and 12 of Act No. 327 of the Public Acts of 1980, entitled as amended "Racing law of 1980," as amended by Act No. 108 of the Public Acts of 1986, being sections 431.67 and 431.72 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 7 and 12 of Act No. 327 of the Public
2 Acts of 1980, as amended by Act No. 108 of the Public Acts of
3 1986, being sections 431.67 and 431.72 of the Michigan Compiled
4 Laws, are amended to read as follows:

5 Sec. 7. (1) The racing commissioner may issue the following
6 general classes of licenses:

7 (a) ~~Occupational licenses~~ AN OCCUPATIONAL LICENSE issued
8 to ~~individuals~~ A PERSON who ~~qualify~~ QUALIFIES as A racing

1 ~~participants~~ PARTICIPANT, race meeting ~~operators~~ OPERATOR, or
2 ~~employees~~ EMPLOYEE involved in or having to do with racing.

3 (B) AN OFF-TRACK EMPLOYEE AND AGENT LICENSE ISSUED PURSUANT
4 TO THE TELECOMMUNICATIONS WAGERING ACT AND THE RULES PROMULGATED
5 UNDER THAT ACT.

6 (C) AN OFF-TRACK FACILITY LICENSE ISSUED PURSUANT TO THE
7 TELECOMMUNICATIONS WAGERING ACT AND THE RULES PROMULGATED UNDER
8 THAT ACT.

9 (D) ~~(b) Race~~ A RACE meeting ~~licenses~~ LICENSE issued
10 annually specifying dates on which racing may be conducted, to a
11 person, corporation, firm, partnership, association, or other
12 legal entity proposing to conduct the race meeting.

13 (E) ~~(c) Track licenses~~ A TRACK LICENSE issued to a person,
14 corporation, firm, partnership, association, or other legal
15 entity ~~who makes application~~ THAT APPLIES FOR and desires to
16 maintain or operate a racetrack where it is proposed that horse
17 racing with wagering by pari-mutuel methods on the result of the
18 racing will be conducted, whether or not the racetrack is
19 constructed.

20 (2) Except as provided in subsection (3), the racing commis-
21 sioner shall not issue a race meeting license to a person, corpo-
22 ration, firm, partnership, association, or other legal entity ~~—~~
23 if the person, corporation, firm, partnership, or other legal
24 entity conducted racing within a city area as defined in section
25 8(5) and the person, corporation, firm, partnership, association,
26 or other legal entity has a controlling interest in or

1 co-ownership of another racetrack located within a city area as
2 defined in section 8(5).

3 (3) The racing commissioner may issue more than 1 race meet-
4 ing license to a person, corporation, firm, partnership, associa-
5 tion, or other legal entity to conduct race meetings at the same
6 racetrack.

7 Sec. 12. (1) A holder of a race meeting license may provide
8 a place in the race meeting grounds or enclosure at which he or
9 she may conduct and supervise the pari-mutuel system of wagering
10 by patrons on horse racing. The pari-mutuel system of wagering
11 upon horse racing within the race meeting grounds, OR PURSUANT TO
12 THE TELECOMMUNICATIONS WAGERING ACT, shall not be held or con-
13 strued to be unlawful. If the pari-mutuel system of wagering is
14 used at a race meeting, a totalisator, or other device ~~which~~
15 THAT is equal in accuracy and clearness to a totalisator and
16 approved by the racing commissioner, shall be used. The odds
17 display of the totalisator or other device shall be placed in
18 full view of the patrons.

19 (2) No other ~~place or~~ method of betting, pool making,
20 wagering, or gaming shall be used or permitted by the holder of
21 the license. The pari-mutuel system of wagering shall not be
22 conducted except at the racetrack where the pari-mutuel system of
23 wagering is conducted and pursuant to section 12a, OR PURSUANT TO
24 THE TELECOMMUNICATIONS WAGERING ACT. Each holder of a race meet-
25 ing license shall retain as his or her commission 17% of all
26 money wagered. Except as provided in subsection (6), each holder
27 of a race meeting license shall retain as his or her commission

1 on all forms of multiple wagering, 20-1/2% of all money wagered.
2 In each race meeting, the holder of the race meeting license
3 shall divide the breaks equally with the state. Breaks shall be
4 computed at all times at 10 cents and defined as the cents over
5 any multiple of 10 otherwise payable to a patron on a wager of
6 \$1.00.

7 (3) Payoff prices of tickets of a higher denomination shall
8 be calculated as even multiples of the payoff price for a \$1.00
9 wager. Each holder of a race meeting license shall distribute to
10 the persons holding winning tickets, as a minimum, a sum not less
11 than \$1.10 calculated on the basis of each \$1.00 deposited in a
12 pool, except that each race meeting licensee may distribute a sum
13 of not less than \$1.05 to persons holding winning tickets for
14 each \$1.00 deposited in a minus pool. As used in this subsec-
15 tion, "minus pool" means any win, place, or show pool in which
16 the payout would exceed the total value of the pool.

17 (4) A holder of a race meeting license shall not knowingly
18 permit a person less than 18 years of age to be a patron of the
19 pari-mutuel wagering conducted or supervised by the holder.

20 (5) Any act or transaction relative to wagering permitted by
21 this act shall only occur or be permitted to occur within the
22 enclosure of a race meeting grounds OR AT AN OFF-TRACK FACILITY
23 AUTHORIZED UNDER THE TELECOMMUNICATIONS WAGERING ACT. A person
24 shall not participate in or be a party to any act or transaction
25 relative to the placing of a wager or carrying a wager for place-
26 ment outside of a race meeting grounds OR AN OFF-TRACK FACILITY
27 AUTHORIZED UNDER THE TELECOMMUNICATIONS WAGERING ACT. A person

1 shall not provide messenger service for the placing of a bet for
2 another person who is not a patron. However, this subsection
3 does not prevent the authorization of the simulcast of Michigan
4 pari-mutuel horse races to wagering locations outside this
5 state. Upon proper application, the racing commissioner may
6 issue a permit allowing a race meeting licensee to transmit, by
7 live video and audio signals, a live horse race to a viewing area
8 outside this state.

9 (6) As used in this subsection, "special sweepstakes
10 pari-mutuel pool" means amounts wagered for a selection in each
11 of 3 or more races designated by the race meeting licensee with
12 the approval of the racing commissioner. The racing commissioner
13 may promulgate rules to regulate a special sweepstakes
14 pari-mutuel pool which shall not be connected with or related to
15 any other form of multiple wagering, or to any other win, place,
16 or show pool. A special sweepstakes pari-mutuel pool may be
17 given a distinctive name by the race meeting licensee, subject to
18 the approval of the racing commissioner. Each holder of a race
19 meeting license shall retain as his or her commission on special
20 sweepstakes pari-mutuel pools 25% of all money wagered.

21 Section 2. This amendatory act shall not take effect unless
22 Senate Bill No. _____ or House Bill No. 4115 (request
23 no. 00947'95 a) of the 88th Legislature is enacted into law.