



# HOUSE BILL No. 5226

October 10, 1995, Introduced by Reps. Randall, Law and Bankes and referred to the Committee on Regulatory Affairs.

A bill to amend sections 2, 3, and 4 of Act No. 90 of the Public Acts of 1951, entitled

"An act to regulate the conducting of racing meets in the state of Michigan; to provide for the possession, control and disposition of funds held by licensees for the payment of outstanding winning tickets not claimed or demanded by the lawful owners of such funds; and to prescribe penalties for violations of the provisions of this act,"

being sections 431.252, 431.253, and 431.254 of the Michigan Compiled Laws; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Sections 2, 3, and 4 of Act No. 90 of the Public  
2 Acts of 1951, being sections 431.252, 431.253, and 431.254 of the  
3 Michigan Compiled Laws, are amended to read as follows:

4 Sec. 2. (1) All funds held by any licensee for the payment  
5 of outstanding winning tickets for any race meeting        CONDUCTED  
6 PURSUANT TO THE RACING LAW OF 1995, which ~~funds~~ have not been

1 claimed by the ~~lawful owners thereof~~ OWNER OF THOSE FUNDS  
2 within 60 days immediately following the close of the race meet-  
3 ing, shall be ~~paid~~ RETAINED by the licensee ~~to the racing com-~~  
4 ~~missioner by certified check or cashier's check together with the~~  
5 ~~original records or certified copies of all records of the~~  
6 ~~licensee pertaining to the outstanding tickets.~~ AND DISTRIBUTED  
7 AS FOLLOWS:

8 (A) FIFTY PERCENT OF THE FUNDS SHALL BE RETAINED BY THE  
9 LICENSEE FOR THE PURPOSE OF MAKING CAPITAL IMPROVEMENTS TO THE  
10 LICENSEE'S RACETRACK.

11 (B) FIFTY PERCENT OF THE FUNDS SHALL BE EARMARKED FOR THE  
12 FOLLOWING PURPOSES:

13 (i) IF THE LICENSEE IS A THOROUGHBRED LICENSEE, FOR THE  
14 THOROUGHBRED DEVELOPMENT FUND FOR BREEDERS' AWARDS AND PURSE  
15 SUPPLEMENTS.

16 (ii) IF THE LICENSEE IS A HARNESS LICENSEE, FOR A MICHIGAN  
17 NONPROFIT CORPORATION FORMED TO ESTABLISH A HARNESS HORSEMEN'S  
18 HEALTH AND RETIREMENT FUND FOR THE PURPOSE OF ADMINISTERING THE  
19 FUNDS.

20 (2) IT IS THE INTENT OF SUBSECTION (1)(B)(ii) TO FULFILL A  
21 GOVERNMENT RESPONSIBILITY IN A MANNER THAT IS MORE COST EFFICIENT  
22 AND EFFECTIVE THAN DIRECT STATE AGENCY ADMINISTRATION BY PERMIT-  
23 TING NONPROFIT CORPORATIONS TO ESTABLISH HEALTH AND RETIREMENT  
24 FUNDS FOR THE BENEFIT OF HARNESS HORSEMEN.

25 Sec. 3. Every licensee who pays any winning ticket subse-  
26 quent to the last day of a race meeting shall preserve the cashed  
27 winning ticket and shall deliver A COPY OF it to the racing

1 commissioner. ~~in addition to the records provided for in~~  
2 ~~section 2 hereof.~~

3       Sec. 4. The licensee upon ~~taking proper receipt from the~~  
4 ~~racing commissioner for funds and records delivered to said com-~~  
5 ~~missioner under the provisions of this act~~ DELIVERING A COPY OF  
6 THE CASHED WINNING TICKET TO THE RACING COMMISSIONER shall be  
7 released and discharged for all liability or accountability to  
8 the owner of such funds, as well as the requirements of preparing  
9 and filing of any report concerning such property to any state,  
10 county, or municipal board, commission, or agency. ~~, except~~  
11 ~~such as shall have been required or accrued prior to the date of~~  
12 ~~such required delivery of said funds and report to the said~~  
13 ~~commissioner: Provided, That said delivery of such funds and~~  
14 ~~reports to the commissioner by any licensee shall not release or~~  
15 ~~discharge said licensee from the powers granted to the commis-~~  
16 ~~sioner by section 5 of this act.~~

17       Section 2. Sections 1, 5, and 6 of Act No. 90 of the Public  
18 Acts of 1951, being sections 431.251, 431.255, and 431.256 of the  
19 Michigan Compiled Laws, are repealed.

20       Section 3. This amendatory act shall not take effect unless  
21 House Bill No. 4526 of the 88th Legislature is enacted into law.