

LEGISLATIVE BILL 708

Approved by the Governor June 3, 1987

Introduced by Schmit, 23

AN ACT relating to horseracing; to amend section 2-1213, Reissue Revised Statutes of Nebraska, 1943, and section 2-1207, Revised Statutes Supplement, 1986; to state intent; to provide for wagering on simulcast of races; to define and redefine terms; to provide for licensing; to provide an exception to a requirement relating to dams; to change a fee; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. (1) The Legislature finds that:

(a) The racing, breeding, and parimutuel wagering industry is an important sector of the agricultural economy of the state, provides substantial revenue for state and local governments, and employs many residents of the state;

(b) The simultaneous telecast of live audio and visual signals of horseraces on which parimutuel betting is permitted holds the potential to strengthen and further these economic contributions and that it is in the best interest of the state to encourage experimentation with such live telecasts;

(c) The purpose of such experimentation shall be to determine if simulcast technology can promote the overall growth of the industry resulting in additional revenue for the support of racing associations and corporations, purses, breeders, and labor; and

(d) No simulcast shall be authorized which would jeopardize present racing or employment opportunities or which would infringe on current operations or markets of the racetracks which generate significant revenue for local governments in the state.

(2) The Legislature hereby authorizes experimentation with the telecasts of horseraces conducted within the state on which parimutuel wagering shall be permitted under the regulation of the State Racing Commission in the manner and subject to the conditions provided in sections 1 to 4 of this act and section 2-1207.

Sec. 2. As used in sections 1 to 4 of this

act and section 2-1207, unless the context otherwise requires:

(1) Commission shall mean the State Racing Commission;

(2) Licensed horserace meeting shall include, but not be limited to, licensed racetracks at which simulcasts are conducted;

(3) Operator shall mean any licensee issued a license under sections 2-1201 to 2-1223 operating a simulcast facility in accordance with sections 1 to 4 of this act;

(4) Receiving track shall mean any track which displays a simulcast which originates from another track;

(5) Sending track shall mean any track from which a simulcast originates;

(6) Simulcast shall mean the telecast of live audio and visual signals conducted in the state for the purpose of parimutuel wagering;

(7) Simulcast facility shall mean a facility within the state which is authorized to display simulcasts for parimutuel wagering purposes under sections 1 to 4 of this act; and

(8) Track shall mean the grounds or enclosures within which horseraces are conducted by licensees authorized to conduct such races in accordance with sections 2-1201 to 2-1223.

Sec. 3. Any racetrack issued a license under sections 2-1201 to 2-1223 which operates at least one live race meet during each calendar year may apply to the commission for a simulcast facility license. An application for such license shall be in such form as may be prescribed by the commission and shall contain such information, material, or evidence as the commission may require. Any racetrack issued a simulcast facility license may display the simulcast of a horserace on which parimutuel wagering shall be allowed.

Sec. 4. (1) The commission may authorize and approve one or more applications for a license by any racetrack issued a license under sections 2-1201 to 2-1223 to provide the simulcast of horseraces for wagering purposes from a track operated by the applicant which is conducting a race to a receiving track which is also licensed pursuant to sections 2-1201 to 2-1223 and has applied for a simulcast facility license. No application submitted under this subsection shall be approved by the commission without a written agreement between the receiving track and the sending track

relating to the simulcast. The written agreement between the receiving track and the sending track shall have the consent of the organization representing a majority of the horsepersons on the track at both the receiving track and the sending track.

(2) Every licensee authorized to accept wagers on simulcast racing events pursuant to sections 1 to 4 of this act shall be deemed to be conducting a licensed horserace meeting and shall be subject to all appropriate provisions of sections 2-1201 to 2-1223 relating to the conduct of horserace meetings.

(3) The sums retained by any receiving track from the total deposits in pools wagered on simulcast racing events shall be equal to the retained percentages applicable to the sending track. Of the sums retained by the receiving track from simulcast pools the parimutuel tax shall be levied in accordance with sections 2-1201 to 2-1223. Of the sums retained by the receiving track an amount as determined by agreement between the sending track and receiving track shall be distributed to the sending track.

(4) Any simulcast between a sending track and receiving track as provided in this section shall result in the combination of all wagers placed at the receiving track with the wagers placed at the sending track so as to produce common parimutuel betting pools for the calculation of odds and the determination of payouts from such pools, which payout shall be the same for all winning tickets, irrespective of whether the wager is placed at a sending track or receiving track.

Sec. 5. That section 2-1207, Revised Statutes Supplement, 1986, be amended to read as follows:

2-1207. (1) Within the enclosure of any racetrack where a race or race meeting licensed and conducted under sections 2-1201 to 2-1218 is held, ~~but not elsewhere, or at a racetrack licensed to simulcast races,~~ the parimutuel or certificate method or system of wagering on the results of the respective races may be used and conducted by the licensee. Under such system the licensee may receive wagers of money from any person present at such race or racetrack receiving the simulcast race on any horse in a race selected by such person to run first in such race, and the person so wagering shall acquire an interest in the total money so wagered on all horses in such race as first winners in proportion to the amount of money wagered by him or her. Such licensee shall issue to each person so wagering a certificate on which shall be shown the number of the race, the amount wagered, and the number or name of the

horse selected by such person as first winner. As each race is run the licensee may deduct from the total sum wagered on all horses as first winners, respectively, (a) at race meets which conduct races more than four days per week excluding holidays, fifteen per cent of the total, plus the odd cents of the redistribution over the next lower multiple of ten or (b) at race meets which conduct races not more than four days per week excluding holidays, not less than fifteen nor more than eighteen per cent of the total, plus the odd cents of the redistribution over the next lower multiple of ten. All licensees are hereby authorized to deduct up to and including twenty per cent from the total sum wagered by exotic wagers as defined in section 2-1208.03. The licensee shall also deduct from the total sum wagered by exotic wagers, if any, the tax plus the odd cents of the redistribution over the next multiple of ten, as provided in subsection (1) of section 2-1208.04. The balance remaining on hand shall be paid out to the holders of certificates on the winning horse in the proportion that the amount wagered by each certificate holder bears to the total amount wagered on all horses in such race to run first. The licensee may likewise receive such wagers on horses selected to run second, third, or both, or in such combinations as the commission may authorize, the method, procedure, and authority and right of the licensee, as well as the deduction allowed to the licensee, to be as specified with respect to wagers upon horses selected to run first.

(2) At all race meets held pursuant to this section, the licensee shall deduct from the total sum wagered, except for wagers on horses selected to run first, second, or third, one per cent of the total, to be used to promote agriculture and horse breeding in Nebraska and for the support and preservation of horseracing pursuant to section 2-1207.01.

(3) No minor shall be permitted to make any parimutuel wager, and there shall be no wagering except under the parimutuel method outlined in this section. Any person, association, or corporation who knowingly permits a minor to make a parimutuel wager shall be guilty of a Class IV misdemeanor.

Sec. 6. That section 2-1213, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-1213. (1) No racing under sections 2-1201 to 2-1218 shall be permitted on Sunday except when approved by a majority of the members of the State

Racing Commission upon application for approval by any racetrack. Such approval shall be given after the commission has considered: (a) Whether Sunday racing at the applicant track will tend to promote and encourage agriculture and horse breeding in Nebraska; (b) whether the applicant track operates under a license granted by the State Racing Commission; (c) whether the applicant track is in compliance with all applicable health, safety, fire, and police rules and regulations or ordinances; (d) whether the denial of Sunday racing at the applicant track would impair such track's economic ability to continue to function under its license; and (e) whether the record of the public hearing held on the issue of Sunday racing at the applicant track shows reasonable public support. Notice of such public hearing shall be given at least ten days prior thereto by publication in a newspaper having general circulation in the county in which the applicant track is operating, and the commission shall conduct a public hearing in such county. The commission may ~~prescribe~~ adopt, promulgate, and enforce rules and regulations governing the application and approval for Sunday racing in addition to its powers in section 2-1203. If the State Racing Commission permits racing on Sunday, the voters may prohibit such racing in the manner prescribed in section 2-1213.01. If approval by the commission for Sunday racing at the applicant track is granted, no racing shall occur on Sunday until after 1:00 p.m.

No license shall be granted for racing on more than one racetrack in any one county, except that the commission may, in its discretion, grant a license to any county agricultural society to conduct racing during its county fair notwithstanding a license may have been issued for racing on another track in such county. Since the purpose of sections 2-1201 to 2-1218 is to encourage agriculture and horse breeding in Nebraska, every licensee shall hold at least one race on each racing day limited to Nebraska-bred horses. Three per cent of the first money of every purse won by a Nebraska-bred horse shall be paid to the breeder of such horse.

(2) For purposes of this section, Nebraska-bred horse shall mean a horse registered with the Nebraska Thoroughbred or Quarter Horse Registry and meeting the following requirements: (a) It must have been foaled in Nebraska; (b) its dam must have been registered, prior to foaling, with the Nebraska Thoroughbred or Quarter Horse Registry; (c) its owner or owners, or, if the owner is a corporation, all

stockholders thereof, must have been bona fide citizens of Nebraska continually from January 1 of the year of conception through the date of foaling; and (d) its dam must have been continuously owned by a bona fide citizen of Nebraska and have been continuously in Nebraska for six months immediately prior to foaling, except that this such six-month period may be reduced to (i) ninety days in the case of a mare in foal and which is either (i) registered as a brood mare with the Nebraska Thoroughbred or Quarter Horse Registry but which is being actively trained and raced outside Nebraska and is returned to this state and remains herein continuously for ninety days immediately prior to foaling; or (ii) thirty days in the case of a mare in foal which is purchased at a nationally recognized thoroughbred or quarter horse blood stock sale, the name and pedigree of the mare being listed in the sale catalog, and which is brought into this state and remains herein in this state for ninety thirty days immediately prior to foaling.

The requirement that a dam must be continuously in Nebraska for either six months, ninety days, or thirty days, as specified in subdivision (2)(d) of this section, shall not apply to a dam which is taken outside of Nebraska to be placed for sale at a nationally recognized thoroughbred or quarter horse blood stock sale, the name and pedigree of the mare being listed in the sale catalog, or for the treatment of an extreme sickness or injury, if written notice of such proposed sale or treatment is provided to the secretary of the commission within three days of the date such horse is taken out of the state.

The State Racing Commission may designate official registrars for the purpose of registration and to certify the eligibility of Nebraska-bred horses. An official registrar shall perform such duties in accordance with policies and procedures adopted and promulgated by the State Racing Commission in the current rules and regulations of the commission. The commission may authorize the official registrar to collect specific fees as would reasonably compensate the registrar for expenses incurred in connection with registration of Nebraska-bred horses. The amount of such fee or fees shall be established by the commission and shall not be changed without commission approval. Fees shall not exceed ~~fifty~~ one hundred dollars per horse.

Any decision or action taken by the official registrar shall be subject to review by the commission or may be taken up by the commission on its own

initiative.

Sec. 7. That original section 2-1213, Reissue Revised Statutes of Nebraska, 1943, and section 2-1207, Revised Statutes Supplement, 1986, are repealed.

Sec. 8. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.