SENATE DOCKET, NO. 1032 FILED ON: 1/16/2019

SENATE . . . . . No. 101

The Commonwealth of Massachusetts

PRESENTED BY:

Joseph A. Boncore

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to regulating horse racing and wagering.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Joseph A. Boncore	*First Suffolk and Middlesex*

SENATE DOCKET, NO. 1032 FILED ON: 1/16/2019

SENATE . . . . . No. 101

By Mr. Boncore, a petition (accompanied by bill, Senate, No. 101) of Joseph A. Boncore and Adam G. Hinds for legislation relative to regulating horse racing and wagering. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

An Act relative to regulating horse racing and wagering.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 7 of chapter 4 of the General Laws, as appearing in the 2016 Official Edition, is hereby amended by striking out clause Tenth and inserting in place thereof the following clause:-

Tenth, "Illegal gaming," a banking or percentage game played with cards, dice, tiles or dominoes, or an electronic, electrical or mechanical device or machine for money, property, checks, credit or any representative of value, but excluding: (i) a lottery game conducted by the state lottery commission, under sections 24, 24A and 27 of chapter 10; (ii) a game conducted under chapter 23K; (iii) pari-mutuel wagering on horse races and greyhound races under chapter 128D; (iv) a game of bingo conducted under chapter 271; and (v) charitable gaming conducted under said chapter 271."

SECTION 2. Section 7 of chapter 23K of the General Laws is hereby repealed. Said section 7 shall not be revived by any future operation of sections 17 or 112 of St. 2011, c. 194.

SECTION 3. Section 60 of said chapter 23K is hereby repealed. All monies in the Race Horse Development Fund established under said section 60 as of the effective date of this Act shall be transferred to the Race Horse Development Fund established pursuant to section 10 of chapter 128D of the General Laws, as inserted by this Act.

SECTION 4. Chapter 128A of the General Laws is hereby repealed.

SECTION 5. Chapter 128C of the General Laws is hereby repealed.

SECTION 6. The General Laws are hereby amended by inserting after said chapter 128C the following chapter:-

CHAPTER 128D.

HORSE RACING AND WAGERING.

Section 1. Preamble. It is the intent of this chapter to grant the Massachusetts gaming commission all necessary authority to oversee and regulate all aspects of horse racing in the commonwealth with the object of promoting its efficient operation, and the honesty and integrity of the wagering process related to it. It is the further intent of this chapter that the commission utilize best efforts to ensure that the horse racing industry be preserved and sustained for, amongst other reasons, the preservation of open space, the agricultural benefits associated with horse racing, and the creation and preservation of jobs and businesses associated with horse racing.

Section 2. Terms used in this chapter shall, unless the context otherwise requires, be construed as follows:

“Advance Deposit Wagering”, a form of pari-mutuel wagering in which an individual may deposit money to an account established through an agreement with a holder of a racing license or simulcasting license and use the account balance to make and pay for wagers by the holder of the account which wagers may be made in person, by direct telephone call or by communication through other electronic media by the holder of the account to the licensee.

“Breaks", in the case of live horse racing conducted in the commonwealth by a racing licensee, the odd cents over any multiple of 10 cents of winnings per $1 wagered. In the case of live horse racing conducted at a race track outside the commonwealth, the amount of the breaks shall be determined in accordance with the laws of the state in which the race track is located.

“Commission”, the Massachusetts gaming commission established in chapter 23K.

“Exotic wager”, a wager on the speed or ability of a combination of more than 1 horse in a single race.

“Guest track”, a simulcasting licensee or an out-of-state pari-mutuel wagering facility which accepts a simulcast wager on a live race conducted at another track which is presented by simulcast at the facility of the simulcasting licensee or the out-of-state pari-mutuel wagering

“Horsemen’s Thoroughbred Association,” the New England Horsemen’s Benevolent and Protective Association.

“Host track”, a racing licensee or an out-of-state track which conducts a live race which is the subject of intertrack simulcasting and simulcast wagering.

"Pari-mutuel", a form of wagering on the outcome of an event in which all wagers are pooled and held by an association for distribution of the total amount, less the deductions authorized by law, to holder of tickets on the winning contestants.

"Premium", an amount paid to a racing licensee by a simulcasting licensee on account of the simulcasting licensee taking wagers on interstate simulcasts of the type of horse racing as is conducted by the racing licensee.

"Racing license", an authorization awarded to a person by the commission, under specified conditions, to accept wagers on live horse racing conducted on the license holder's licensed premises in the commonwealth; a racing license shall not confer on its holder any rights to simulcast or to accept simulcast wagers, but an eligible person may apply for and be awarded both a racing license and a simulcast license.

"Racing licensee", a person who holds a racing license; a racing licensee may also be a simulcasting licensee, in which case the licensee may conduct racing and simulcasting operations at the same location or in different locations.

"Race track" shall, as determined by the commission, include the track, grounds, auditorium, amphitheater and bleachers, if any, and adjacent places used in connection therewith, where live horse racing may be held.

"Rebate"', a portion of pari-mutuel wagers, otherwise payable to a racing or simulcasting licensee, that is paid to a holder of a pari-mutuel wagering ticket and that reduces the amount otherwise payable to such licensee, including, but not limited to: refunds to holders of pari-mutuel wagering tickets of any portion or percentage of the full face value of a pari-mutuel wager; bonuses on a winning pari-mutuel ticket; awards of merchandise; services such as meals,

parking, admission, seating and programs; free or reduced-cost pari-mutuel wagers; monetary awards; or any other benefit that the commission deems appropriate to reward racing and simulcasting patrons for their patronage.

"Simulcast'", the broadcast, transmission, receipt or exhibition, by any medium or manner, of a live race conducted at a race track other than the one at which it is being exhibited, whether inside or outside the commonwealth, including but not limited to, a system, network, or programmer which transmits, or receives, television or radio signals by wire, satellite, or otherwise.

"Simulcasting license", an authorization awarded to a person by the commission, under specified conditions, to accept simulcast wagers, provided that the commission may award a simulcasting license only to a racing licensee licensed under this chapter, a gaming licensee licensed pursuant to chapter 23K at a gaming establishment, or an entity previously licensed pursuant to chapter 128A or chapter 128C.

"Simulcasting licensee", a person who holds a simulcasting license.

"Simulcast wager'", a wager taken by a simulcasting licensee on a race that is simulcast.

"Straight wager", a wager on the speed or ability of any 1 horse in a single race.

"Takeout", monies deducted from a pari-mutuel pool in accordance with this chapter prior to payment of winnings.

Section 3. (a) The commission shall have all powers necessary or convenient to effectively regulate horse racing and related wagering including, but not limited to,

(1) all requisite powers afforded in accordance with section 4 of chapter 23K to be used to for the implementation, administration and enforcement of this chapter;

(2) the power to adopt, amend or repeal regulations for the implementation, administration and enforcement of this chapter; and

(3) the power to award, revoke and suspend racing licenses and simulcasting licenses in accordance with regulations adopted pursuant to section 4, provided, however, notwithstanding any provision of this chapter, any other general or special law, or any regulations adopted hereunder to the contrary, the greyhound racing licensees licensed to conduct live racing in calendar year 2009 and the harness horse and running horse racing licensees licensed to conduct live racing in calendar year 2014 pursuant to chapter 128A shall be licensed as simulcasting licensees under this chapter through December 31, 2024, provided however that it shall be a condition of the 2014 harness horse racing licensee's simulcasting license that it comply with all live racing obligations under chapter 23K or under chapter 194 of the acts of 2011; and provided further that it shall be a condition of the 2014 running horse racing licensee's simulcasting license that it pursue development and operation of a new or re-established race track in the Commonwealth or operate such a race track. While the 2014 running horse racing licensee is pursuing development and operation of such a race track, it shall be authorized to conduct simulcasting and simulcast wagering in one or more locations in the commonwealth without any requirement to conduct live racing or to conduct business in the same location as it operated under chapters 128A and 128C and, once it is operating such a race track, its authorization to conduct simulcast wagering shall not be infringed on account of the number of days of racing it hosts or the number of races it conducts so long as it conducts at least 1 day of live racing each year. The 2014 running horse racing licensee may assign its simulcasting license to another

person, who thereafter shall be considered to be the 2014 running horse licensee for purposes of this chapter.

(b) The power and authority granted to the commission hereunder shall be construed as broadly as necessary for the implementation, administration and enforcement of this chapter.

Section 4. (a) The commission shall promulgate regulations for the implementation, administration and enforcement of this chapter including, without limitation, regulations that:

(1) prescribe the application process and criteria for evaluation of the application and renewal for a racing license; in determining whether to award a racing license the commission shall take into consideration the physical locations of the licensed race tracks as they relate to each other and how they maximize benefits to the commonwealth, the support or opposition to each applicant from the public, and any other considerations deemed relevant by the commission;

(2) prescribe the process and criteria for evaluation of the application and renewal of a simulcasting license to a racing licensee licensed under this chapter, a gaming licensee licensed pursuant to chapter 23K at a gaming establishment, or an entity previously licensed pursuant to chapter 128A or chapter 128C; in granting a simulcasting license to a gaming licensee, the commission shall take into consideration the impact on facilities of persons previously licensed pursuant to said chapters 128A and 128C;

(3) prescribe procedures and requirements necessary to the proper governance of the conduct of live horse racing, simulcasting, and wagering thereon, including:

(i) the amount and manner that premiums, if any, will be assessed upon the simulcasting licensees;

(ii) the extent to which, if any, rebating will be authorized in the commonwealth;

(iii) procedures for advance deposit wagering, including the use of advance deposit wagering accounts including electronic components of advance deposit wagering account, rebates and rewards; and

(iv) the use of the breaks;

(4) prescribe the minimum number of live racing days required to be held by a racing licensee other than a gaming licensee who holds live racing on the premises of the gaming establishment;

(5) establish procedures governing the operation of the Race Horse Development Fund established pursuant to section 10;

(6) prescribe grounds and procedures for the revocation, suspension and discipline of all licenses and registrations;

(7) prescribe the assessment and allocation of funds from racing licensees and simulcasting licensees for the purpose of funding, to the extent not funded in accordance with section 11, the operations of the commission relative to racing, simulcasting and wagering thereon, including the costs to the commission of conducting each racing performance conducted by a racing licensee, which funding, with associated expenditures, shall be reported to the house and senate committees on ways and means and the joint committee on economic development

and emerging technologies and made public annually within 60 days of the end of each fiscal year; and

(8) prescribe any other issues related to the honest conduct of horse racing, simulcasting and wagering thereon.

(b) The commission may, pursuant to section 2 of chapter 30A, promulgate, amend or repeal any regulation promulgated under this chapter as an emergency regulation if such regulation is necessary to protect the interests of the commonwealth in regulating horse racing.

Section 5. Advance deposit wagering by residents of the commonwealth on the results of horse races conducted in the commonwealth or in jurisdictions outside of the commonwealth shall be authorized and lawful in the commonwealth so long as there is a racing licensee or a simulcasting licensee under this chapter, provided that, until December 31, 2029, all advance deposit wagering shall be conducted by a person who was a running horse or harness horse racing meeting licensee under chapter 128A in 2014 or who is the assignee of such a person, unless no such person or assignee continues as a racing or simulcasting licensee. A racing or simulcasting licensee authorized pursuant to this section to conduct advance deposit wagering shall do so in accordance with any regulations promulgated by the commission and may do so directly or through a service provider with whom it has a written agreement.

Section 6. The commission may inspect and shall have access to the entire race track or simulcasting facility and premises associated therewith upon which activity is conducted pursuant to a racing license or a simulcasting license issued in accordance with this chapter including all records, documents, systems, equipment, and supplies on the premises.

Section 7. The commission may audit as often as the commission determines necessary the accounts, programs, activities, and functions of all racing licensees and simulcasting licensees. To conduct the audit, authorized officers and employees of the commission shall have access to such accounts at reasonable times, and the commission may require the production of books, documents, vouchers and other records relating to any matter within the scope of the audit. Further, the commission shall make an annual report of horse racing and simulcasting activity and related wagering in the commonwealth to the house and senate committees on ways and means and the joint committee on economic development and emerging technologies which shall include a full and complete statement of racing revenues.

Section 8. Each racing licensee and simulcasting licensee shall make readily available to the commission all documents, materials, equipment, personnel and any other items requested during an investigation; provided, however, that material that a racing licensee or simulcasting licensee considers a trade secret or would be detrimental to the licensee if it were made public may, with the commission's approval, be protected from public disclosure and the licensee may require nondisclosure agreements with the commission before disclosing such material.

Section 9. The commission shall establish application fees for all licenses, approvals, and renewals awarded under this chapter which shall include costs incurred for conducting a background investigation into an applicant. The commission may seek reimbursement from an applicant for any costs of investigation in excess of the initial application or renewal fee.

Section 10. (a) There shall be established and set up on the books of the commonwealth a separate fund known as the Race Horse Development Fund to be administered

by the commission. Any monies directed by any provision of any general or special law to be deposited into the Race Horse Development Fund formerly established under former section 60 of chapter 23K, including without limitation subsection (c) of section 55 of chapter 23K and subclause (l) of clause (2) of section 59 of said chapter 23K, and any monies credited to or transferred to the fund from any other fund or source, shall be deposited into the fund established pursuant to this section.

(b) All monies transferred to the Race Horse Development Fund established by this section from the Race Horse Development Fund formerly established under said section 60 of chapter 23K that had been allocated for the benefit of the thoroughbred racing industry under the former fund shall be distributed from the fund established by this section only for the benefit of thoroughbred racing, provided, however, that the restrictions on the use of funds set forth in said section 60 shall not apply.

(c) Subject to subsection (b), the commission may make any distribution from the fund it determines to be in the best interest of horse racing in the commonwealth including, but not limited to (i) distribution of not less than 50 per cent of the monies deposited in the fund after the effective date of this chapter to racing licensees to fund purses, provided that the commission determines that there is sufficient live racing in the commonwealth to sustain that level of purse funding; (ii) funding a program established by the commission with eligibility requirements to provide health, pension, life insurance and other benefits deemed appropriate to owners, trainers, breeders, jockeys, drivers and others associated with horse racing, and (iii) distribution in support of breeding of thoroughbred and standardbred horses in the commonwealth. In addition, in the event that the running horse racing meeting licensee licensed under chapter 128A in 2014 or its successor or assign pursues development and operation of a new or re-established thoroughbred

race track in the commonwealth or operates such a race track, the commission shall distribute monies from the fund to such licensee, successor or assign to the extent agreed between it and its horsemen, for the payment of expenses incurred in pursuing the development and operation of a new or re-established racetrack, for capital expenses of the new or re-established race track, or for operating expenses at the new or re-established racetrack.

(c) Any funds previously distributed from the Race Horse Development Fund established under section 60 of chapter 23K to a licensee under chapter 128A that had not been expended by the recipient licensee as of the effective date of this section may be used by the licensee for purses or, to the extent agreed between the licensee and its horsemen, for expenses incurred in pursuing the development and operation of a new or re-established racetrack, for capital expenses of a new or re-established race track, or for operating expenses at a new or re-established racetrack.

Section 11. (a) Every racing licensee conducting pari-mutuel wagering on horse races run live at its licensed race track shall return all sums deposited in any pari-mutuel pool by patrons for wagers on such live horse races to the holders of winning tickets therein less the breaks and less a takeout in an amount to be determined by the licensee but not to exceed 19 per cent of the total amount so deposited on a straight wager and 26 per cent of the total amount so deposited on an exotic wager. From the takeout, the licensee shall pay:

(i) to the commission on behalf of the commonwealth, a pari-mutuel tax in an amount equal to 0.75 per cent of all amounts so deposited, less the breaks;

(ii) (A) if a running horse licensee, to the Massachusetts Thoroughbred Breeders Association, Inc., a sum equal to 1 per cent of the total amount so deposited, less the breaks, to be used for the purposes of subsection (g) of section 2 of chapter 128; and

(B) if a harness horse licensee, to the Massachusetts Standardbred Breeders program established pursuant to subsection (j) of section 2 of chapter 128, a sum equal to 0.5 per cent of the total amount so deposited, less the breaks, on straight wagers and a sum equal to 1.5 per cent of the total amount so deposited, less the breaks, on exotic wagers, the monies to be used for the purposes of said subsection (j) of said section 2;

(iii) (A) if a running horse licensee, a sum equal to 8.5 per cent of the amount so deposited, less the breaks, on straight wagers and a sum equal to 9.5 per cent of the amount so deposited, less the breaks, on exotic wagers, for payment of purses and, with the approval of the appropriate horsemen's association representing the horse owners racing at that meeting, for payment of the licensee's administrative and horseracing operations;

(B) if a harness horse licensee, a sum equal to 8 per cent of the amount so deposited, less the breaks, on straight wagers and a sum equal to 10 per cent of the amount so deposited, less the breaks, on exotic wagers for the payment of purses; and

(iv) if a running horse licensee, to Tufts University School of Veterinary Medicine, a sum equal to 0.5 per cent of the amount so deposited, less the breaks, on exotic wagers.

In addition, 3.5 per cent of all purses paid by running horse racing licensees, except purses funded by the Massachusetts Thoroughbred Breeders Association, Inc., shall be paid to the Massachusetts Thoroughbred Breeders Association, Inc. Such payment may be made from purse funds disbursed from the Race Horse Development Fund.

The licensee shall be entitled to retain the remainder of the takeout as its commission.

(b) Every simulcasting licensee acting as a guest track simulcasting a race run live at a host track within the commonwealth shall return all sums deposited in any pari-mutuel pool by patrons for wagers on such in-state simulcast races to the holders of winning tickets therein less the breaks and less a takeout in an amount to be determined by the licensee but not to exceed 19 per cent of the total amount so deposited on straight wagers and 26 per cent of the total amount so deposited on exotic wagers. From the takeout, the licensee shall pay:

(i) to the commission on behalf of the commonwealth, a pari-mutuel tax in a sum equal to 0.375 per cent of the amount so deposited, less the breaks;

(ii) to the host racing association, a sum equal to 11 per cent of the amount so deposited, less the breaks;

(iii) (A) if the simulcasting licensee is also a running horse racing licensee, to the Massachusetts Thoroughbred Breeders Association, Inc., a sum equal to 0.5 per cent of the total amount so deposited, less the breaks, to be used for the purposes of subsection (g) of section 2 of chapter 128; and

(B) if the simulcasting licensee is also a harness horse racing licensee, to the Massachusetts Standardbred Breeders program established pursuant to subsection (j) of section 2 of chapter 128, a sum equal to 0.25 per cent of the total amount so deposited by patrons, less the breaks, on straight wagers and a sum equal to 0.75 per cent of the total amount so deposited, less the breaks, on exotic wagers, the monies to be used for the purposes of said subsection (j) of said section 2 of said chapter 128; and

(iv) (A) if the simulcasting licensee is also a running horse racing licensee, a sum equal to not less than 3.5 per cent of the total amount so deposited, less the breaks, for the payment of purses and, with the approval of the appropriate horsemen's association representing the horse owners racing at that meeting, for payment of the licensee's administrative and horseracing operations;

(B) if the simulcasting licensee is also a harness horse racing licensee, a sum equal to not less than 3.5 per cent of the total amount so deposited, less the breaks, for the payment of purses;

(v) if the simulcast race is a thoroughbred race, to the department of agricultural resources, a sum equal to 0.25 per cent of the total amount so deposited on exotic wagers.

The licensee shall be entitled to retain the remainder of the takeout as its commission.

(c) Every simulcasting licensee acting as a guest track simulcasting a race run live at a host track outside of the commonwealth shall return all sums deposited in any pari-mutuel pool by patrons for wagers on such out-of-state simulcast races to the holders of winning tickets therein less the breaks and less a takeout in an amount to be determined by the licensee but not to exceed 19 per cent of the total amount so deposited on straight wagers and 26 per cent of the total amount deposited on exotic wagers or the amount which would be paid under the laws of the jurisdiction exercising regulatory authority over the host track. From the takeout, the licensee shall pay:

(i) to the commission on behalf of the commonwealth, a pari-mutuel tax in an amount equal to 0.375 per cent of all wagers, less the breaks

(ii) (A) if the simulcasting licensee is also a running horse racing licensee, to the Massachusetts Thoroughbred Breeders Association, Inc., a sum equal to 0.5 per cent of the total amount so deposited, less the breaks, to be used for the purposes of subsection (g) of section 2 of chapter 128; and

(B) if the simulcasting licensee is also a harness horse racing licensee, to the Massachusetts Standardbred Breeders program established pursuant to subsection (j) of section 2 of chapter 128, a sum equal to 0.25 per cent of the total amount so deposited by patrons, less the breaks, on straight wagers and a sum equal to 0.75 per cent of the total amount so deposited, less the breaks, on exotic wagers, the monies to be used for the purposes of said subsection (j) of said section 2;

(iv) (A) if the simulcasting licensee is also a running horse racing licensee, a sum equal to not less than 0.5 per cent and not more than 2.5 per cent of the total amount so deposited, less the breaks, for the payment of purses and, with the approval of the appropriate horsemen's association representing the horse owners racing at that meeting, for payment of the licensee's administrative and horseracing operations;

(B) if the simulcasting licensee is also a harness horse racing licensee, a sum equal to not less than 4.0 per cent and not more than 7.5 per cent of the total amount so deposited, less the breaks, for the payment of purses;

The licensee shall be entitled to retain the remainder of the takeout as its commission.

(d) All pari-mutuel taxes paid to the commission pursuant to this section, and all assessments, association licensing fees, occupational licensing fees, fines, penalties and miscellaneous revenues paid to the commission shall be deposited in a separate account under

the control and supervision of the commission. The total amount of such pari-mutuel taxes and other revenues shall be expended in the following order of priority and for the purposes specified:

(1) local aid to the host community of each racing licensee in the amount of 0.35 per cent of all wagers placed with the racing licensee on its live races;

(2) $35,000 annually per racing and simulcasting licensee to the department of public health for assistance with problem gambling research, prevention, and treatment programs;

(3) $80,000 annually to an organization, as determined by the commission, which provides health, medical, food, substance abuse treatment and other social services for persons who are employed in the stable or the backstretch area of a running horse licensee, if there is such a licensee;

(4) $20,000 annually to the commission to provide economic assistance, in accordance with regulations adopted by the commission, to any person employed in the racing facility, the stable or the backstretch area of a running horse licensee who is facing hardship due to illness or unforeseen tragedy;

(5) up to $1,080,976 per fiscal year for the operations of the commission relative to racing, including the costs to the commission of conducting each racing performance conducted by a racing licensee;

(6) any remaining revenues up to $4,500,000 to the racing licensees to be used for purses in amounts to be determined according to a formula established by the commission; and

(7) any remaining revenues to the General Fund.

(e) No winnings shall be paid by a racing or simulcasting licensee after December 31 of the year following the year in which the wager was made except with permission of the commission or pursuant to a judgment in an action brought to recover the winnings or in settlement of such an action. No action to recover winnings upon a wager made under this chapter or under chapter 128A or 128C after November 15, 2001 shall be commenced after December 31 of the year following the year in which the wager was made. A notice of the limitation prescribed by this section in such form as the commission may prescribe shall be posted by each licensee in a conspicuous place at each window or booth where pari-mutuel tickets are sold. Within 90 days of December 31, each licensee shall certify to the commission the total amount of money held for the payment of any wagers for the recovery of which no action has commenced within the time herein limited and shall thereafter be permitted free use of the funds, provided, however, that if the licensee is a racing licensee, then the funds shall be used for the payment of purses and, with the approval of the appropriate horsemen's association representing the horse owners racing at that meeting, for payment of the licensee's administrative and horseracing operations.

Section 12. The provisions of section 181 of chapter 140 and of sections 31, 33, and 34 of chapter 271, and of chapter 494 of the acts of 1908, shall not apply to race tracks or racing meetings laid out and conducted by licensees under this chapter or to animals eligible to race at such meetings; except that no license shall be granted by the commission for a racing meeting in any city or town, except in connection with a state or county fair, unless the location of the race track where such meeting is to be held or conducted has been once approved by the mayor and city council or the town council or the selectmen as provided by said section 33 of said chapter 271, after a public hearing, seven days' notice of the time and place of which hearing shall have

been given by posting in a conspicuous public place in such city or town and by publication in a newspaper published in such city or town, if there is any published therein, otherwise in a newspaper published in the county wherein such city or town is situated. A new local approval under this section shall not be required for thoroughbred and harness horse race tracks that were licensed by the commission or by its predecessor state racing commission for commercial racing under chapter 128A.

The approval of a location by a mayor and city council shall be deemed to be a measure within the provisions of section 42 of chapter 43 and the provisions of said sections shall apply to every city; provided, however, that such approval, if not rescinded as provided in said sections, shall be submitted to the voters of the city at a special election which shall be called by the city council and shall be held within 45 days of the filing of the petition protesting such approval taking effect.

The approval of a location by a town council, in a town having a town council, and by the selectmen in any other town, upon petition of 12 per cent of the voters of the town filed with the town clerk protesting against such approval taking effect shall be suspended from taking effect and the town council or the selectmen, as the case may be, shall immediately reconsider such approval, and if such approval is not rescinded, the question of such approval shall be submitted to the voters of the town at a special election which shall be called by the selectmen or town council, as the case may be, and which shall be held within 45 days of the submission of said petition. Such approval shall become null and void unless a majority of the voters voting on the same at said election vote in the affirmative.

Section 13. Notwithstanding the provisions of this chapter or any general or special law to the contrary, no live dog racing or live racing meeting where any form of wagering on the speed or ability of dogs occurs shall be conducted or permitted in this commonwealth and the commission is hereby prohibited from accepting or approving any application or request for racing dates for dog racing.

Any person violating any provision of this section relative to dog racing shall be subject to a civil penalty of not less than twenty thousand dollars which shall be payable to the commission and used in accordance with subsection (d) of section 11.

Section 14. Any person who accepts or pays out a wager on the results of any horse race or dog race, or aids or abets any of the foregoing types of wagering, except as permitted by this chapter, shall for a first offence be punished by a fine of not more than two thousand dollars and imprisonment for not more than one year, and for a subsequent offence by a fine of not more than ten thousand dollars and imprisonment for not more than two years.

Section 15. In the event that the commonwealth authorizes any person or persons to accept wagering on sporting events other than horse or dog races, a racing licensee or simulcasting licensee under this chapter shall also be authorized to accept such sports wagers, on the same terms and conditions as the other person or persons, either directly or through an account deposit wagering service provider.

SECTION 7. Notwithstanding any provision of any general or special law to the contrary, as of the effective date of this section, no person shall be required to pay any money into the Running Horse Capital Improvements Trust Fund and the Running Horse Promotional Trust Fund, each established pursuant to section 11 of chapter 494 of the acts of 1978, or into the

Harness Horse Capital Improvement Trust Fund and the Harness Horse Promotional Trust Fund, each established pursuant to section 12 of said chapter 494, all of which funds are referred to in this section as the "Racing Trust Funds." Any funds that were previously paid into the Racing Trust Funds and had not been expended prior to the effective date of this section shall be paid by the commission, without condition or restriction and within thirty days of the effectiveness of this section, to the racing licensee under chapter 128A from whose operations the funds were derived. Once all funds in a Racing Trust Fund shall have been so paid to the licensee from whose operations they were derived, the Racing Trust Fund shall be disestablished.

SECTION 8. Notwithstanding any general or special law to the contrary, any person authorized at any point in 2019 prior to the effective date of this Act by any general or special law to conduct horse racing, simulcasting, or pari-mutuel wagering including advance deposit wagering under said chapter 128A or said chapter 128C shall remain authorized until December 31, 2019, to conduct horse racing, simulcasting, or pari-mutuel wagering on the same terms and conditions in effect as of January 1, 2019 except for any term or condition that terminates such authorization prior to December 31, 2019.