

SENATE No. 2535

The Commonwealth of Massachusetts

PRESENTED BY:

Paul R. Feeney

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 to revitalize agriculture, conditioning and simulcasting.

PETITION OF:

NAME:

Paul R. Feeney

Tackey Chan

DISTRICT/ADDRESS:

Bristol and Norfolk

2nd Norfolk

SENATE No. 2535

By Mr. Feeney, a petition (accompanied by bill, Senate, No. 2535) (subject to Joint Rule 12) of Paul R. Feeney and Tackey Chan for legislation to revitalize agriculture, conditioning and simulcasting. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Second General Court
(2021-2022)**

An Act to revitalize agriculture, conditioning and simulcasting.

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

1 SECTION 1. Section 7 of chapter 4 of the General Laws, as appearing in the 2018
2 Official Edition, is hereby amended by striking out clause Tenth and inserting in place thereof
3 the following:-

4 Tenth, “Illegal Gaming”, a banking or percentage game played with cards, dice, tiles or
5 dominoes or an electronic, electrical or mechanical device or machine for money, property,
6 checks, credit or any representative of value, but excluding: (i) a lottery game conducted by the
7 state lottery commission under sections 24, 24A and 27 of chapter 10; (ii) a game conducted
8 under chapter 23K; (iii) wagering on races under chapters 23K ¼ and 23K ½; (iv) a game of
9 bingo conducted under chapter 271; and (v) charitable gaming conducted under said chapter 271.

10 SECTION 2. Section 2 of chapter 23K of the General Laws, as so appearing, is hereby
11 amended by inserting after the definition of “Application”, the following definition:-

12 “Board”, the state racing board established in section 7A.

13 SECTION 3. Section 4 of chapter 23K of the General Laws, as so appearing, is hereby
14 amended in clause (29) by inserting after the word “the”, in line 113, the following:- board or.

15 SECTION 4. Section 7 of chapter 23K of the General Laws, as amended by section 117
16 of chapter 194 of the acts of 2011, is hereby further amended by striking out the section entirely,
17 and inserting in place of the following:-

18 Section 7. (a) The commission shall administer and enforce appeals of decisions of the
19 board related to pari-mutuel wagering and simulcasting.

20 (b) The commission may grant a simulcasting license to a gaming establishment subject
21 to the provisions of sections 8 and 9 of chapter 23K $\frac{1}{2}$; provided, however, that in granting any
22 such license to a gaming establishment, the commission shall take into consideration the impact
23 on facilities licensed under chapters 23K $\frac{1}{4}$ and 23K $\frac{1}{2}$.

24 SECTION 5. Said chapter 23K of the General Laws, as so appearing, is hereby amended
25 by inserting after section 7 the following section:-

26 Section 7A. There shall be within the commission a board to be known as the state racing
27 board, in this chapter and in chapters 23K $\frac{1}{4}$ and 23K $\frac{1}{2}$ called the board.

28 The board shall consist of three members, one who shall serve as chair, all to be
29 appointed by the governor. Not more than two of such members shall be of the same political
30 party. No person shall be appointed to the board nor be an employee thereof nor officiate at pari-
31 mutuel meetings conducted in this commonwealth who is licensed or regulated, directly or
32 indirectly, by the board other than for the position to which such person is appointed nor shall
33 such person have any legal or beneficial interest, direct or indirect, pecuniary or otherwise, in

34 any firm, association or corporation so licensed or regulated or which participates in pari-mutuel
35 wagering or simulcasting in any manner nor shall such person participate in pari-mutuel
36 wagering or simulcasting in any manner other than in such person's official capacity. No person
37 shall be a member of the board who is not of good moral character or who has been convicted of,
38 or is under indictment for, a felony under the laws of Massachusetts or any other state, or the
39 United States. Members of the board shall each possess not less than five years of responsible
40 administrative experience in public or business administration; provided that the chair shall also
41 have professional experience in gaming or racing regulatory administration or gaming or racing
42 industry management; provided, further, that at least one member shall be licensed to practice
43 veterinary medicine in the commonwealth with equine racing diagnosis and treatment or research
44 experience.

45 Members shall receive salaries not greater than three-fourths of the salary of the
46 commissioner of administration under section 4 of chapter 7; provided, however, that the chair
47 shall receive a salary equal to the salary of the commissioner of administration. Members shall
48 devote their full time and attention to the duties of their office.

49 Each member shall serve for a term of five years and shall hold office until
50 reappointment, or the appointment and qualification of their successor; provided, however, that
51 no member shall serve more than 15 years. The governor may remove any member for cause and
52 shall fill any vacancy for the unexpired term. Whenever any action by the board is required to be
53 in writing, such writing shall be sufficient when signed by the board chair.

54 Notwithstanding the provisions of section 7, the board shall administer and enforce
55 chapters 23K ¼ and 23K ½ and any general and special law related to live racing, pari-mutuel

56 wagering and simulcasting. The board shall serve as a host racing commission and an off-track
57 betting commission for purposes of 15 U.S.C. 3001, et seq.

58 The day-to-day operations and general administration of the board, including all
59 administrative functions of the board and all actions not expressly required by statute or
60 regulation to be carried out by the board itself, shall, at the direction and under the board, be
61 under the supervision of an executive director of racing, who shall be appointed by the chair of
62 the board. The executive director of racing shall devote their full time during business hours to
63 their duties hereunder. Subject to the provisions of subsections (k) through (w), inclusive, of
64 section 3, the board may employ such other persons, in addition to the aforementioned executive
65 director of racing, as the board may determine to be necessary to carry out such day-to-day
66 operations and general administration of the board.

67 The board shall make an annual report in January of each year to the general court. That
68 report shall include the following information with respect to the previous calendar year:
69 statements of monies deposited in the Race Horse Development Fund established under section
70 60, the Thoroughbred Horse Capital Improvements Trust Fund established under section 60A,
71 and the Standardbred Horse Capital Improvements Trust Fund established under section 60B,
72 together with a detailed account of monies disbursed from the funds, the specific capital
73 improvements for which the disbursements were intended, and a report on which of the
74 improvements have been accomplished; a statement of racing dates awarded to licensees,
75 including those awarded in connection with a state or county fair; and a statement of the total
76 amounts wagered at each race track, together with the monies paid to the commonwealth and the
77 board, purses paid to horse owners and monies retained by each licensee, together with a
78 statement of the net profit of each licensee taken from the financial statements filed under section

79 11 of chapter 23K ¼. Copies of the report shall be transmitted to the governor, the president of
80 the senate, the speaker of the house of representatives, the chairs of the house and senate
81 committees on ways and means, the joint committee on consumer protection and professional
82 licensure, and the joint committee on revenue.

83 SECTION 6. Section 19 of said chapter 23K, as so appearing, is hereby amended by
84 striking out the figure “128A” each time it appears, and inserting in place thereof the following:-
85 23K ¼.

86 SECTION 7. Said section 19 of said chapter 23K, as so appearing, is hereby further
87 amended by striking out figure “128C” each time it appears, and inserting in place thereof the
88 following:- 23K ½.

89 SECTION 8. Section 20 of said chapter 23K, as so appearing, is hereby amended by
90 striking out the figure “128A” each time it appears, and inserting in place thereof the following:-
91 23K ¼.

92 SECTION 9. Said section 20 of said chapter 23K, as so appearing, is hereby further
93 amended by striking out figure “128C” each time it appears, and inserting in place thereof the
94 following:- 23K ½.

95 SECTION 10. Section 24 of said chapter 23K, as so appearing, is hereby amended by
96 striking out the figure “128A”, in line 2, and inserting in place thereof the following:- 23K ¼.

97 SECTION 11. Chapter 23K of the General Laws, as so appearing, is hereby amended by
98 striking out section 60, and inserting in place thereof the following:-

99 Section 60. (a) There shall be established and set up on the books of the commonwealth a
100 Race Horse Development Fund to be administered by the board. The fund shall consist of monies
101 deposited under subsection (c) of section 55. The board shall make distributions from the Race
102 Horse Development Fund to each licensee under chapter 23K ¼.

103 (b) The board shall make recommendations on how the funds received in subsection (a)
104 shall be distributed between thoroughbred and standardbred racing facilities to support the
105 thoroughbred and standardbred horse racing industries under this section. In making its
106 recommendations, the board shall consider certain criteria including, but not limited to: (i) the
107 average purses awarded at thoroughbred and standardbred racing facilities; (ii) the total
108 employment numbers, both direct and indirect, attributable to each horse racing industry; (iii) the
109 relative needs of each horse racing industry for increased purses; (iv) the amount of the live
110 racing handle generated by each horse racing industry; and (v) the number of breeding and
111 training farms of each industry that are located in the commonwealth. The board shall submit
112 distribution recommendations to the clerks of the senate and house of representatives not later
113 than 30 days before changing the distribution percentage; provided, however, that the total
114 distribution percentage between the thoroughbred and standardbred racing industries shall not be
115 changed by more than 10 percentage points in a given year.

116 (c) Funds received from the Race Horse Development Fund shall be distributed between
117 thoroughbred and standardbred accounts, as approved by the board, as follows:

118 (i) 80 per cent of the funds approved by the board shall be deposited weekly into a
119 separate, interest-bearing purse account to be established by and for the benefit of the horsemen;
120 provided, however, that the earned interest on the account shall be credited to the purse account;

121 and provided further, that licensees shall combine these funds with revenues from existing purse
122 agreements to fund purses for live races consistent with those agreements with the advice and
123 consent of the horsemen;

124 (ii) 16 per cent of the funds approved by the board shall be deposited as follows: (A) for a
125 thoroughbred track, into the Massachusetts Thoroughbred Breeding Program authorized by the
126 board; or (B) for a standardbred track, into the Massachusetts Standardbred Breeding Program
127 authorized by the board;

128 (iii) 4 per cent shall be used to fund health and pension benefits for the members of the
129 horsemen's organizations representing the owners and trainers at a horse racing facility for the
130 benefit of the organization's members, their families, employees and others under the rule and
131 eligibility requirements of the organization, as approved by the board; provided, however, that
132 this amount shall be deposited within 5 business days of the end of each month into a separate
133 account to be established by each respective horsemen's organization at a banking institution of
134 its choice; and provided further, that of this amount, the board shall determine how much shall be
135 paid annually by the horsemen's organization to the thoroughbred jockeys or standardbred
136 drivers organization at the horse racing facility for health insurance, life insurance or other
137 benefits to active and disabled thoroughbred jockeys or standardbred drivers under the rules and
138 eligibility requirements of that organization.

139 SECTION 12. Said Chapter 23K of the General Laws, as so appearing, is hereby
140 amended by inserting after section 60, the following 2 new sections:-

141 Section 60A. There shall be established and set up on the books of the commonwealth a
142 Thoroughbred Horse Capital Improvements Trust Fund to be administered by the board. During

143 each calendar year each running horse track licensee under section 3 of chapter 23K ¼, other
144 than a licensee holding a racing meeting in connection with a state or county fair, shall daily pay:
145 the total sum of the so-called breaks, as defined in section 9 of said chapter 23K ¼ , less one
146 hundred thousand dollars, into the said trust fund under the direction and supervision of the state
147 racing board members, as they are individuals, as trustees of said trust; provided, however, that
148 the aforementioned sum of one hundred thousand dollars shall be allocated, subject to
149 appropriation, to the Massachusetts council on compulsive gambling. Said trustees shall deposit
150 all monies in said trust fund in one or more banks, at interest, within the commonwealth.

151 Said trustees may expend without appropriation all or any part of the Thoroughbred
152 Horse Capital Improvements Trust Fund to a running horse track licensee in proportion to the
153 amount deposited in said fund by said running horse track licensee for use as all or part of a
154 capital expenditure for alterations, additions, replacements, changes, improvements or major
155 repairs to or upon the property owned or leased by such licensee and used by it for the conduct of
156 racing, but not for the costs of maintenance or of other ordinary operations, whether such costs
157 have been incurred or not. Said trustees may expend to a licensee all amounts accumulated in
158 such trust fund which are attributable to racing operations conducted at a running horse track.

159 Said trustees shall prescribe terms and conditions for such grants and may designate
160 specific capital improvements to be undertaken by a licensee; provided, however, that, prior to
161 approving any expenditures from said trust funds for purposes not designated by the trustees, the
162 trustees shall require the licensee to submit to them detailed business plans describing the
163 specific capital improvements contemplated by the licensee and shall formally vote to permit
164 such expenditures; provided, further, that under no circumstances shall the trustees permit the
165 expenditure of trust funds for purposes not directly related to the improvement of running horse

166 racing; and provided, further, that such terms and conditions for capital improvement projects
167 shall include schedules of periodic payments to be prepared by the trustees in accordance with
168 schedules contained in construction contracts for such capital improvement projects. Such
169 licensee shall comply with all applicable provisions of chapter 149 unless such compliance is
170 waived by the commission for cause.

171 No such expenditure for such capital improvements shall be approved by the trustees if
172 such improvements are to be accomplished pursuant to a contract with a person, corporation,
173 partnership, trust or any combination of the same or any other entity owned wholly or in part by
174 a person, corporation, partnership, trust or any combination of the same or any other entity which
175 owns or operates or holds any interest in any racetrack in the commonwealth.

176 The trustees shall hire the services of such architectural and engineering consultants or
177 the services of such other consultants as they deem appropriate to advise them generally and to
178 evaluate proposed capital improvement projects submitted to them for their approval.

179 Nothing herein contained shall preclude a running horse track from making capital
180 improvements not funded in whole or in part from such funds; provided, however, that all sums
181 approved by said trustees hereunder shall be expended in their entirety for capital improvements;
182 provided, further, that any revision by said licensee in the making of capital improvements as
183 hereinbefore provided, shall require separate written approval by the trustees therefor. All
184 financial statements required under section 11 of chapter 23K ¼ shall be accompanied by a
185 statement signed under the pains and penalties of perjury by the chief financial officer of the
186 licensee, setting forth the capital improvements made with funds obtained under this section and

187 further certifying that such expenditures are treated as capital expenditures in the accompanying
188 financial statements.

189 The trustees shall require from a running horse racetrack such vouchers, cancelled checks
190 or other documents as said trustees deem necessary to verify that the expenditures from said
191 funds were carried out in accordance with the provisions of this section.

192 Funds paid by licensees and deposited by the board in the Thoroughbred Horse Capital
193 Improvements Trust Fund shall remain in said funds until expended under this section; provided,
194 however, that any amount in said accounts as of December 31st of each year which has not been
195 so expended or as to which no binding commitment has been made by said trustees shall
196 thereupon be deposited in the Race Horse Development Fund established under section 60 of
197 chapter 23K.

198 Section 60B. There shall be established and set up on the books of the commonwealth a
199 Standardbred Horse Capital Improvements Trust Fund to be administered by the board. During
200 each calendar year each harness horse track licensee under section 3 of chapter 23K $\frac{1}{4}$, other
201 than a licensee holding a racing meeting in connection with a state or county fair shall daily pay:
202 the total sum of the so-called breaks, as defined in section 9 of said chapter 23K $\frac{1}{4}$, and a sum
203 equal to 2 per cent of the total amount wagered by patrons wagering on the speed or ability of a
204 combination of more than one harness horse in a single pool, exotic wagering, so-called, into the
205 said trust fund under the direction and supervision of the state racing board members, as they are
206 individuals, as trustees of said trust. Said trustees shall deposit all monies in said trust fund in
207 one or more banks, at interest within the commonwealth.

208 Said trustees may expend without appropriation all or any part of the Standardbred Horse
209 Capital Improvements Trust Fund to a harness horse track licensee for use as all or part of a
210 capital expenditure for alterations, additions, replacements, changes, improvements or major
211 repairs to or upon the property owned or leased by such licensee and used by it for the conduct of
212 racing, but not for the costs of maintenance or of other ordinary operations, whether such costs
213 have been incurred or not. Said trustees may expend to a licensee all amounts accumulated in
214 such trust fund which are attributable to racing operations conducted at a harness horse track.

215 Said trustees shall prescribe terms and conditions for such grants and may designate
216 specific capital improvements to be undertaken by the licensee; provided, however, that prior to
217 approving any expenditures from said trust fund for purposes not designated by the trustees, the
218 trustees shall require the licensee to submit to them detailed business plans describing the
219 specific capital improvements contemplated by the licensee and shall formally vote to permit
220 such expenditures; provided, further, that under no circumstances shall the trustees permit the
221 expenditure of trust funds for purposes not directly related to the improvement of harness horse
222 racing; provided, further, that such terms and conditions for capital improvement projects shall
223 include schedules of periodic payments to be prepared by the trustees in accordance with
224 schedules contained in construction contracts for such capital improvement projects. Such
225 licensee shall comply with all applicable provisions of chapter 149 unless such compliance is
226 waived by the commission in writing for cause.

227 No such expenditure for capital improvements shall be approved by the trustees if such
228 improvements are to be accomplished pursuant to a contract with a person, corporation,
229 partnership, trust or any combination of the same or any other entity owned wholly or in part by

230 a person, corporation, partnership, trust or any combination of the same or any other entity which
231 owns or operates or holds any interest in any racetrack in the commonwealth.

232 The trustees shall hire the services of such architectural and engineering consultants or
233 the services of such other consultants as they deem appropriate to advise them generally and to
234 evaluate capital improvement projects submitted to them for their approval.

235 Nothing herein contained shall preclude a harness horse track from making capital
236 improvements not funded in whole or in part from such funds; provided, however, that all sums
237 approved by said trustees hereunder shall be expended in their entirety for capital improvements;
238 provided, further, that any revision by said licensee in the making of capital improvements as
239 hereinbefore provided, shall require separate written approval by the trustees therefor. All
240 financial statements required under section 11 of chapter 23K ¼ shall be accompanied by a
241 statement signed under the pains and penalties of perjury by the chief financial officer of the
242 licensee, setting forth the capital improvements made with funds obtained under this section and
243 further certifying that such expenditures are treated as capital expenditures in the accompanying
244 statements.

245 The trustees shall require from a harness racetrack such vouchers, cancelled checks or
246 other documents as said trustees deem necessary to verify that the expenditures from said funds
247 were carried out in accordance with the provisions of this section.

248 Funds paid by licensees and deposited by the board in the Standardbred Horse Capital
249 Improvements Trust Fund shall remain in said funds until expended under this section; provided,
250 however, that any amount in said accounts as of December 31st of each year which has not been
251 so expended or as to which no binding commitment has been made by said trustees shall

252 thereupon be deposited in the Race Horse Development Fund established under section 60 of
253 chapter 23K.

254 SECTION 13. The General Laws, as so appearing, is hereby amended by inserting after
255 Chapter 23K the following two chapters:-

256 CHAPTER 23K ¼.

257 HORSE RACING MEETINGS.

258 Section 1. Terms used in this chapter shall, unless the context otherwise requires, be
259 construed as follows:-

260 "Board", the state racing board established in chapter 23K.

261 "Breaks", in the case of racing meetings conducted in the commonwealth by a racing
262 meeting licensee, the odd cents over any multiple of 10 cents of winnings per \$1 wagered.

263 "Commission", the Massachusetts gaming commission established in chapter 23K.

264 "Racing meeting" shall include every meeting within the commonwealth where horses are
265 raced and where any form of betting or wagering on the speed or ability of horses shall be
266 permitted, but shall not include any meeting where no such betting or wagering is permitted even
267 though horses or their owners, are awarded certificates, ribbons, premiums, purses, prizes or a
268 portion of gate receipts for speed or ability shown.

269 "Race track" shall include the track, grounds, auditorium, amphitheatre or bleachers, if
270 any, and adjacent places used in connection therewith, where a horse racing meeting may be
271 held; provided, however, that each person licensed to conduct a running horse racing meeting,

272 other than a licensee holding a racing meeting in connection with a state or county fair, shall
273 conduct the racing meeting on a race track with a racing strip of not less than 1 mile.

274 "Rebate", money returned, which was not the result of winning a prize from the wagered
275 competition pursuant to this chapter and chapter 23K ½, to a bettor by a racing meeting licensee
276 based on a percentage of his wager.

277 "State or county fair" shall mean an agricultural fair or exhibition, the main purpose of
278 which is the encouragement, improvement or extension of agriculture by competitive exhibits of
279 agricultural products, including exhibits described in paragraph (f) of section 2 of chapter 128,
280 and of varied types of available livestock, with youth participation therein, and the display of
281 agricultural machinery, implements and other improvements of interest to dairy and produce
282 farmers and horticulturists.

283 Section 2. Any person desiring to hold or conduct a horse racing meeting within the
284 commonwealth shall make an application to the state racing board established in chapter 23K for
285 a license so to do. Such application shall state:

286 (1) The name of the applicant.

287 (2) The post office address of the applicant, and if a corporation, the name of the state
288 under the laws of which it is incorporated, the location of its principal place of business and the
289 names and addresses of its directors and stockholders.

290 (3) The location of the race track where it is proposed to hold or conduct such meeting.

291 (4) The days on which it is intended to hold or conduct such a meeting.

292 (5) The hours of each day between which it is intended to hold or conduct racing at such
293 meeting, which hours shall be not before ten o'clock ante meridian for horse racing except as
294 provided for in section 3, nor later than seven o'clock post meridian for running horse racing nor
295 later than twelve o'clock midnight for harness horse racing.

296 (6) Answers to such other questions as the board may prescribe, and

297 (7) That the applicant will comply, in case such license be issued, with all applicable laws
298 and with all applicable rules and regulations prescribed by the board.

299 Such application shall be filed with the board on or before October 1st of the calendar
300 year preceding the calendar year for which application requests a license to be issued under this
301 chapter; and the board shall grant or dismiss such application not later than the November 15th
302 next following; provided, however, that a supplementary application by a licensee for a
303 subsequent license in the calendar year for which a license had theretofore been issued to such
304 licensee and relating to the same premises as were specified in the previously issued license, and
305 supplementary applications by a licensee for additional licenses under section 4, may be filed
306 with the board at any time prior to the expiration of said calendar year for which a license had
307 theretofore been issued to said licensee; and the board shall grant or dismiss such applications
308 within 30 days of the date of filing. Such applications shall be signed and sworn to, if made by
309 an individual, by such individual; if made by two or more individuals or a partnership, by one of
310 such individuals or by a member of such partnership, as the case may be, if made by a trust, by a
311 trustee of such trust, and, if made by an association or corporation, by the president or vice
312 president thereof. The board may prescribe forms to be used in making such applications.

313 With such application there shall be delivered to the board a certified check or bank draft,
314 payable to the board, weekly in advance for the full amount of the license fee required by this
315 chapter.

316 Section 3. If any application for a license, filed as provided by section 2, shall be in
317 accordance with the provisions of this chapter, the board, after reasonable notice and a public
318 hearing in the city or town wherein the license is to be exercised, may issue a license to the
319 applicant to conduct a racing meeting, in accordance with the provisions of this chapter, at the
320 race track specified in such application; provided, that if the board has already taken action on an
321 application for any calendar year, after such notice and public hearing, no other public hearing
322 need be held on any other application from the same applicant relating to the same premises filed
323 prior to the expiration of said year; and provided, further, that on an application for a license to
324 conduct a horse racing meeting in connection with a state or county fair the applicant shall show
325 a certificate from the commissioner of food and agriculture that (1) such fair is a state or county
326 fair as defined in section one, (2) such fair has been operating for each of the five consecutive
327 years immediately preceding the date of filing such application and had received for each of said
328 five consecutive years assistance from the agricultural purposes fund, (3) such fair is properly
329 qualified as hereinafter in this paragraph provided and (4) the location where such racing
330 meeting is to be held is annually approved by him and by the board of agriculture; and provided,
331 further, that on an application for a license to conduct a horse racing meeting in connection with
332 a state or county fair by an applicant to whom a prior license to conduct such a racing meeting at
333 the race track specified in said application has been granted by the board, no hearing need be
334 held, unless a request, signed by at least one per cent of the registered voters of the city or town
335 in which the track is located, is filed with the board not later than thirty days following the

336 granting of said license. In determining whether a fair is properly qualified under this paragraph,
337 the commissioner of food and agriculture shall consider the number of days such fair has
338 operated each previous year, the area of the land used for fair purposes, the number of entries in
339 agricultural show events in previous years, the number and value of prizes offered in such events
340 and whether or not the granting of a racing license would tend to promote the agricultural
341 purposes of the fair.

342 Such license shall state:

343 (1) The name of the person to whom the same is issued,

344 (2) The location of the race track where the racing meeting thereby authorized is to be
345 held,

346 (3) The days on which such meeting may be held or conducted,

347 (4) The hours of each day between which racing may take place at such meeting, and

348 (5) That the required license fee has been received by the commission.

349 No license shall be issued which would permit a racing meeting to be held or conducted
350 except under the following conditions:

351 (a) No license shall be issued for more than an aggregate of 200 racing days in any 1 year
352 at all running horse racing meetings combined, not including running horse racing meetings held
353 in connection with state or county fairs.

354 (b) No license shall be issued for more than an aggregate of 200 racing days in any 1 year
355 at all harness horse racing meetings combined, including harness horse racing meetings at state
356 or county fairs.

357 (c) Licenses shall permit racing meetings only between the hours of 10:00 a.m. and 12:00
358 midnight. The board shall grant authorized dates at such times that are consistent with the best
359 interests of racing and the public; provided, however, that dates for racing meetings held in
360 connection with a state or county fair may only be awarded during the period between June 15
361 and October 15. The board may, in its discretion, on written application from a racing licensee
362 made at least 7 days prior to the date of any proposed change of time stated in the racing license
363 and without necessity for further public hearing, change the hours of conducting such racing
364 meeting between any of the aforesaid hours, notwithstanding the hours set forth on the license;
365 provided, however, that, if by reason of state or national emergency, night illumination is
366 forbidden by public authority, then the board may, in its discretion, issue a license to permit
367 racing at such hours as the board shall determine between the hours of 10:00 a. m. and 12:00
368 midnight. For the purpose of imposing the fee provided for in section 4, computing the sums
369 payable to the board under section 9 and counting the number of days authorized by clauses (a)
370 and (b), any racing meeting held after 7:00 p.m. on the same day on which a racing meeting is
371 held at the same race track prior to 7:00 p.m. shall be considered a separate day of racing.

372 (d) Each county shall have not more than 1 racing meeting licensee, except in connection
373 with a state or county fair.

374 (e) No license shall be issued to any person who is in any way in default, under the
375 provisions of this chapter, in the performance of any obligation or in the payment of any debt to

376 the board; provided, however, that no license shall be issued to any person who has, within 10
377 years of the time of filing the application for the license, been convicted of violating section 9.

378 (f) In granting authorized dates under this section, the board shall take into consideration,
379 in addition to any other appropriate and pertinent factors, the following: the financial ability of
380 an applicant to operate a race track; the maximization of state revenues; the suitability of racing
381 facilities for operation at the time of the year for which dates are assigned; the circumstance that
382 large groups of spectators require safe and convenient facilities; the interest of members of the
383 public in racing competition honestly managed and of good quality; the necessity of having and
384 maintaining proper physical facilities for racing meetings and the necessity of according fair
385 treatment to the economic interest and investments of those who in good faith have provided and
386 maintain such facilities. Notwithstanding the foregoing provisions of this section, the board shall
387 have the right to review and reconsider without further notice or public hearing any application
388 made prior to October 1 for which racing dates have been requested for the following year;
389 provided that the application has had a public hearing prior to November 15; and provided,
390 further, that any applicant who has been denied these racing dates makes a written request for
391 review and reconsideration within 90 days of receiving notice of the denial; and provided further,
392 that the commission shall reconsider and review the request within 180 days of the denial.

393 (g) No license shall be transferable, except with the approval of the board.

394 (h) No license shall be issued to permit horse racing meetings to be held on premises
395 owned by the commonwealth or any political subdivision thereof.

396 (j) No license shall be issued to any person to hold or conduct a horse racing meeting in
397 connection with a state or county fair or any exhibition for the encouragement or extension of

398 agriculture under the reduced license fee provided in section 4, unless the applicant shall first
399 satisfy the board that the main purpose of the fair or exhibition is the encouragement or extension
400 of agriculture and that the same constitutes a bona fide exhibition of that character. No license
401 shall be issued to a person to hold or conduct a horse racing meeting in connection with a state or
402 county fair or any exhibition for the encouragement or extension of agriculture for more than 15
403 days in a calendar year.

404 (k) No license shall be issued unless the person applying therefor shall have executed and
405 delivered to the board a bond payable to the board in the amount of \$1,250,000 with a surety or
406 sureties approved by the board conditioned upon the payment of all sums which may become
407 payable to the board under this chapter; provided, however, that the amount of such bond, in the
408 case of any person holding or conducting a racing meeting in connection with a state or county
409 fair, shall be \$250,000.

410 (l) Every license shall be recorded in the office of the clerk of the city or town in which
411 the racing meeting is held or conducted at a time not less than 5 days before the first day of the
412 meeting or forthwith upon the issuance of the license if the same shall be issued after that time.
413 After the license is so recorded, a duly certified copy thereof shall forthwith be conspicuously
414 displayed and shall be kept so displayed continuously during the racing meeting in the principal
415 business office at the race track where the meeting is held and at all reasonable times shall be
416 exhibited to any person requesting to see the same.

417 (m) Every licensee shall keep conspicuously posted in various places on its premises a
418 notice containing the name and numbers of the council on compulsive gambling and a statement
419 of its availability to offer assistance.

420 Section 4. The fee for the license provided for in section 3 shall be \$300 or three-fourths
421 of one-tenth of one per cent of the average daily handle of the previous calendar year for each
422 day of any running horse or harness horse racing meeting, whichever is the greater amount;
423 provided, however, that a reduced fee, applicable to a license to any person holding or
424 conducting a horse racing meeting in connection with a state or county fair, or any exhibition for
425 the encouragement or extension of agriculture, shall not exceed \$100 for each day of such horse
426 racing meeting.

427 If for any reason or cause, beyond the control of and through no fault or neglect of any
428 licensee and while such licensee is not in default, it should become impossible or impracticable
429 to conduct racing upon any day or successive days specified in a license issued by the board, the
430 board at the request of the licensee may, and upon proper showing shall, request the state
431 treasurer to refund to the licensee an amount equal to the license fees paid for days on which
432 such licensee does not hold or conduct a racing meeting under the terms of the license issued for
433 such purpose. Upon receipt of such request, the state treasurer shall forthwith pay such amount to
434 such licensee. The board may, upon application of any such licensee, and upon the payment of
435 the required license fees, grant an additional license for not more than the number of days on
436 which it was impossible or impracticable to conduct racing, which days shall not be counted in
437 the aggregate of racing days permitted by section 3. The decision of the board as to such
438 impossibility or impracticability shall be final.

439 No license fee for the privilege of holding or conducting a horse racing meeting, or for
440 any other purpose peculiarly incidental to the holding or conducting of such a meeting, shall be
441 imposed upon or collected from such a licensee by any city or town.

442 Section 5. (a) The provisions of section 181 of chapter 140, and of sections 31, 33 and 34
443 of chapter 271, and of chapter 494 of the acts of 1908 shall not apply to race tracks or racing
444 meetings laid out and conducted by licensees under this chapter or to animals eligible to race at
445 such meetings; except that no license shall be granted by the board for a racing meeting in any
446 city or town, except in connection with a state or county fair, unless the location of the race track
447 where such meeting is to be held or conducted has been once approved by the mayor and city
448 council or the town council or the selectmen as provided by said section 33 of said chapter 271,
449 after a public hearing, seven days' notice of the time and place of which hearing shall have been
450 given by posting in a conspicuous public place in such city or town and by publication in a
451 newspaper published in such city or town, if there is any published therein, otherwise in a
452 newspaper published in the county wherein such city or town is situated, and a majority of the
453 registered voters of such city or town voting on the described location relative to granting such
454 licenses have voted in the affirmative within the same calendar year as such approval by a mayor
455 and city council or the town council or the selectmen.

456 (b) A certified copy of the results of a vote on a question submitted to the voters of a
457 political subdivision, in accordance with the provisions of this chapter, relative to granting a
458 license for a horse racing meeting or horse races at fairs, shall be sent by the state secretary, or
459 by the city or town clerk in the case of a vote by a city or town, to the board within 90 days after
460 the election.

461 Section 6. The board shall have full discretion to refuse to grant a license to any applicant
462 for a license or to suspend or revoke the license of any licensee. If any license is suspended or
463 revoked, the board shall make a record of its reasons for doing so and such record shall be made
464 available to any person requesting to inspect the same.

465 Section 7. Except in the case of a publicly held corporation, no person, firm, partnership,
466 trust, association or corporation who has been granted a license to conduct a horse racing
467 meeting, or an officer, director or the beneficial owner of 10 per cent or more of the stock of a
468 corporation holding such a license, shall sell, transfer, convey or cause to be transferred, singly
469 or in concert with others, more than 10 per cent of the value or stock of the facility or corporation
470 so licensed without first obtaining the written approval of the board.

471 The board shall approve such sale, transfer or conveyance unless it finds that the
472 consideration therefor is (i) inadequate or (ii) without good cause, (iii) that the sale or transfer
473 results in an undesirable concentration of ownership of racing facilities within the
474 commonwealth, or (iv) that the sale or transfer has an adverse impact upon the integrity of the
475 racing industry.

476 A publicly held corporation, shall, prior to the sale, transfer or conveyance of more than
477 10 per cent of the stock of the corporation, file notice of such action with the board. A copy of
478 any filing required by state or federal securities law regarding notice of such sale, transfer or
479 conveyance shall be simultaneously filed with the board. The board shall have the same rights as
480 to transferees as it would have with respect to original applicants for licensure.

481 Section 8. At least 85 per cent of the persons employed by a licensee at a racing meeting
482 held or conducted by them shall be citizens of the commonwealth and shall have been such
483 citizens for at least two years immediately prior to such employment.

484 Section 9. (a) Before holding or conducting a racing meeting, every licensee shall provide
485 a place or places, equipped as hereinafter provided, on the grounds where such meeting is held or
486 conducted or adjacent thereto, but not elsewhere, at which such licensee shall conduct and

487 supervise the pari-mutuel or certificate system of wagering on the speed or ability of horses
488 performing in the races held or conducted by such licensee at such meeting, and such pari-mutuel
489 or certificate method of wagering upon such races so conducted shall not under any
490 circumstances be held or construed to be unlawful, notwithstanding any general or special law to
491 the contrary. Such place or places shall be equipped with automatic betting machines capable of
492 accurate and speedy determination of awards or dividends to winning patrons, and all such
493 awards or dividends shall be calculated by a totalisator machine or like machine, except at state
494 or county fairs.

495 (b) No other place or method of betting, poolmaking, wagering or gambling shall be used
496 or permitted by the licensee, nor shall this chapter be deemed to authorize or legalize the pari-
497 mutuel or certificate system of wagering on any races except at the track where such pari-mutuel
498 or certificate system of wagering is conducted; provided, however, that this prohibition shall not
499 apply to simulcast wagering authorized under chapter 23K ½ nor to account wagering
500 authorized under section 10 of said chapter.

501 (c) Each licensee conducting a running horse racing meeting, other than a licensee
502 holding a racing meeting in connection with a state or county fair, shall return to the winning
503 patrons wagering on the speed or ability of any 1 running horse in a race or races all sums so
504 deposited as an award or dividend, according to the acknowledged and recognized rules and
505 methods under which such pari-mutuel or certificate system has been operated, less the breaks
506 and less an amount not to exceed 19 per cent of the total amount so deposited by patrons
507 wagering on the speed or ability of any 1 running horse; and each such licensee shall return to
508 the winning patrons wagering on the speed or ability of a combination of more than 1 horse in a
509 single pool, also known as an exotic wager, all sums so deposited as an award or dividend,

510 according to the acknowledged and recognized rules and methods under which such pari-mutuel
511 or certificate system has been operated, less the breaks and less an amount not to exceed 26 per
512 cent of the total amount deposited. Each licensee shall:

513 (1) pay to the board on the day following each day of such running horse racing meeting
514 a sum equal to 0.75 per cent of the total amount deposited on the preceding day by patrons so
515 wagering at the meeting, the percentage to be paid from the 19 per cent or 26 per cent withheld,
516 as provided in this section, from the total amount wagered;

517 (2) pay to the Massachusetts Thoroughbred Breeders Association, Inc. on the day
518 following each day of such running horse racing meeting a sum equal to 1 per cent of the total
519 amount deposited by the patrons, less the breaks, and taken from the 19 per cent withheld and
520 from the 26 per cent withheld from exotic wagers, the monies to be used for the purposes of
521 subsection (g) of section 2 of chapter 128;

522 (3) allocate from the total amount deposited daily by the patrons wagering at the meeting
523 a sum equal to 8.5 per cent from the 19 per cent withheld and a sum equal to 9.5 per cent from
524 the 26 per cent withheld from the exotic wagers to be used solely for the payment of purses to
525 the horse owners in accordance with the rules and established customs of conducting running
526 horse racing meetings and, with the approval of the appropriate horsemen's association
527 representing the horse owners racing at that meeting, for payment of administrative and
528 horseracing operations, and the monies shall be in addition to monies deposited into a separate
529 purse account as simulcast premiums received pursuant to section 2 of chapter 23K ½;

530 (5) pay a sum equal to 0.25 per cent from the 19 per cent and 26 per cent withheld from
531 the total amount wagered by patrons so wagering and the total sum of the breaks annually into

532 the trust fund known as the Thoroughbred Horse Capital Improvements Trust Fund, under the
533 direction and supervision of the state racing board members as they are individuals as trustees of
534 said trust;

535 (6) pay to Tufts University School of Veterinary Medicine on the day following each day
536 of such running horse racing meeting a sum equal to 0.5 per cent of the total amount deposited
537 by the patrons, less the breaks, from the 26 per cent withheld from exotic wagers, to be used for
538 equine research scholarships and loans.

539 Each licensee may retain as its commission on the total of all sums so deposited, a sum
540 not exceeding the balance of the 19 or 26 per cent withheld as provided in this section from the
541 total amounts wagered less the amounts required to be paid under clauses (1) to (6), inclusive.

542 (d) Each licensee conducting a harness horse racing meeting shall return to the winning
543 patrons wagering on the speed or ability of any 1 harness horse in a race or races all sums so
544 deposited as an award or dividend, according to the acknowledged and recognized rules and
545 methods under which such pari-mutuel or certificate system has been operated, less the breaks
546 and less an amount not to exceed 19 per cent of the total amount so deposited by patrons
547 wagering on the speed or ability of any 1 harness horse; and each such licensee shall return to the
548 winning patrons wagering on the speed or ability of a combination of more than 1 horse in a
549 single pool, also known as an exotic wager, all sums so deposited as an award or dividend,
550 according to the acknowledged and recognized rules and methods under which such pari-mutuel
551 or certificate system has been operated, less the breaks and less an amount not to exceed 26 per
552 cent of the total amount so deposited. Each such licensee, including a licensee holding a harness
553 horse racing meeting in connection with a state or county fair, shall:

554 (1) pay to the board on the day following each day of such harness horse racing meeting,
555 excluding races conducted in connection with a state or county fair, a sum equal to 0.75 per cent
556 of the total amount deposited on the preceding day by patrons so wagering at the meeting, the
557 percentage to be paid from the 19 per cent withheld from the straight wagers or 26 per cent
558 withheld from the exotic wagers as provided under this section;

559 (2) pay to the Massachusetts Standardbred Breeders program established under
560 subsection (j) of section 2 of chapter 128, on the day following each day of the harness horse
561 racing meeting a sum equal to 0.5 per cent of the total amount deposited by the patrons, less the
562 breaks, and taken from the 19 per cent withheld from the straight wagers and a sum equal to 1.5
563 per cent of the total amount deposited by the patrons, less the breaks, from the 26 per cent
564 withheld from the exotic wagers; the monies to be used for the purposes of said subsection (j) of
565 said section 2 of said chapter 128;

566 (3) allocate from the total amount deposited daily by the patrons wagering at such
567 meeting a sum equal to 8 per cent from the 19 per cent withheld and a sum equal to 10 per cent
568 from the 26 per cent withheld from the exotic wagers to be used solely for the payment of purses
569 to the horse owners in accordance with the rules and established customs of conducting harness
570 horse racing meetings; the monies shall be in addition to monies deposited into a separate purse
571 account as simulcast premiums received under section 2 of chapter 23K ½ ;

572 (5) pay the total sum of the breaks and a sum equal to 2 per cent of the total amount of
573 the exotic wagers into the trust fund known as the Standardbred Horse Capital Improvements
574 Trust Fund, under the direction and supervision of the state racing board members as they are
575 individuals as trustees of the trust.

576 Each licensee may retain as its commission on the total of all sums deposited, a sum not
577 exceeding the balance of the 19 per cent withheld from the straight wagers or the 26 per cent
578 withheld from the exotic wagers as provided in this section less the amounts required to be paid
579 under clauses (1) to (5), inclusive.

580 (f) Each licensee conducting a running horse racing meeting in connection with a state or
581 county fair shall return to the winning patrons wagering on the speed or ability of any 1 running
582 horse in a race or races all sums so deposited as an award or dividend, according to the
583 acknowledged and recognized rules and methods under which such pari-mutuel or certificate
584 system has been operated, less the breaks and less an amount not to exceed 19 per cent of the
585 total amount so deposited by patrons wagering on the speed or ability of any 1 running horse.

586 Each such licensee shall return to the winning patrons wagering on the speed or ability of
587 a combination of more than 1 horse in a single pool, also called an exotic wager, all sums so
588 deposited as an award or dividend, according to the acknowledged and recognized rules and
589 methods under which pari-mutuel or certificate system has been operated, less the breaks and
590 less an amount not to exceed 26 per cent of the total amount so deposited. Each licensee shall:

591 (1) pay to the board on the day following each day of such running horse racing meeting
592 a sum equal to 0.75 per cent of the total amount deposited on the preceding day by patrons
593 wagering at the meeting, the percentage to be paid from the 19 per cent and 26 per cent withheld,
594 as provided under this section, from the total amount wagered on straight wagers and exotic
595 wagers, respectively;

596 (2) allocate from the total amount deposited daily by the patrons wagering at the meeting
597 a sum equal to 8 per cent from each of the respective 19 per cent withheld and 26 per cent

598 withheld as provided in this subsection to be used solely for the payment of purses to the horse
599 owners in accordance with the rules and established customs for the conduct of running horse
600 racing meetings; and

601 (3) pay a sum equal to 1 per cent of the total handle at the end of its racing schedule to
602 the Massachusetts Thoroughbred Breeders Association, Inc.; provided, however, that the
603 Association shall utilize the monies to develop a program to support horse racing at agricultural
604 fairs including, but not limited to, owners' and breeders' awards for Massachusetts-bred
605 thoroughbreds and provisions to supplement the purses of races or to provide the entire purse for
606 the Massachusetts-bred thoroughbred races.

607 Each licensee may retain as its commission on the total of all sums so deposited, a sum
608 not exceeding the balance of the 19 or 26 per cent withheld as provided in this section from the
609 total amounts wagered less the amounts required to be paid under clauses (1) to (3), inclusive.

610 (h) All pari-mutuel taxes paid to the board under this section, together with all pari-
611 mutuel taxes paid to the board under section 2 of chapter 23K ½, and all assessments, association
612 licensing fees, occupational licensing fees, fines, penalties and miscellaneous revenues, other
613 than unclaimed wagers, paid to the board shall be deposited in the race horse development fund
614 established in chapter 23K.

615 (j) 3.5 per cent of all purses at all running horse racing meeting licensees' tracks in the
616 commonwealth shall be paid to the Massachusetts Thoroughbred Breeders' Association, Inc.

617 Section 10. Monies from all unclaimed live wagers made under this chapter and chapter
618 23K ½ shall be deposited with the board. Subject to the rules and regulations established by the
619 board, the board shall deposit the unclaimed live wagers into the purse accounts of the racing

620 meeting licensees that generated those unclaimed live wagers. A notice of the limitation
621 prescribed by this section, in such form as the board shall prescribe, shall be posted by each
622 licensee in a conspicuous place at each window or booth where pari-mutuel tickets are sold.

623 Section 11. Accurate records and books shall at all times be kept and maintained by each
624 licensee, showing the number, nature and amount of all wagers made in connection with such
625 meeting. The board, or its duly authorized representatives, shall at all reasonable times have
626 access to the records and books of any licensee for the purpose of examining and checking the
627 same, and ascertaining whether or not the proper amount has been or is being paid to the
628 commission as herein provided.

629 Within 60 days after the close of a racing meeting, each licensee conducting a horse
630 racing meeting shall submit, on forms prescribed by the board, financial statements certified to
631 the board by a certified public accountant; provided, however, that said licensee with the prior
632 written approval of the board, may submit said statements annually within 60 days after the close
633 of its fiscal year, if any. The board, or its duly authorized representatives, shall at all reasonable
634 times have access to all records and books of the licensee for the purpose of examining and
635 certifying the same.

636 The board may also from time to time require sworn statements of such wagers and may
637 prescribe blanks upon which such reports shall be made. Any licensee failing or refusing to make
638 such report as herein provided, or failing or refusing to pay the amount found to be due as
639 provided in this chapter, shall be deemed guilty of larceny and upon conviction shall be punished
640 by a fine of not less than \$1,000 nor more than \$10,000.

641 Section 12. The board shall appoint two stewards to each track licensed to conduct racing
642 meetings, who shall not be subject to chapter 31 or section 9A of chapter 30. The board shall
643 assign, by regulation, duties to be performed by him. The compensation of the board-appointed
644 steward shall be fixed by the board.

645 The board may also appoint one or more other representatives to attend each racing
646 meeting held or conducted under a license issued under this chapter, and the appointment of said
647 representatives shall not be subject to chapter 31 or section 9A of chapter 30. The compensation
648 and duties of each such representative shall be fixed by the board.

649 Each such representative appointed by the board to attend a racing meeting shall have full
650 and free access to the space or enclosure where the pari-mutuel or certificate system of wagering
651 is conducted or supervised for the purpose only of ascertaining whether or not the provisions of
652 this chapter are being properly observed. They shall also, for the same purpose only, have full
653 and free access to the books, records and papers pertaining to such pari-mutuel or certificate
654 system of wagering. All employees of the board assigned to the tracks for security purposes and
655 all police officers assigned to the board shall be under the control and authority of one of the
656 representatives of the board at each track. Said representative shall have full and free access to
657 any other areas used in connection with the conduct of racing. They shall investigate, ascertain
658 and report to the board in writing under oath as to whether or not he has discovered any violation
659 at such meeting of any of the provisions of this chapter, and, if so, the nature and character of
660 such violations. Such report shall be made within 10 days after the termination of the duties of
661 such representative at any racing meeting.

662 If any such report shows any violation of this chapter, the board shall transmit a copy of
663 such report to the attorney general for such action as they shall deem proper.

664 Section 13. The board shall apply to the department of public safety for the assignment of
665 a complement of police officers to the board on a regular basis and said department shall assign
666 such complement to the board. The board shall assign such police officers to guard and protect
667 the lives and safety of the public, property and the animals to be raced at any such meeting, and
668 to perform any such other duties which may be required by said board in order to maintain fair
669 and honest pari-mutuel racing at any such meeting. The police officers so assigned shall, except
670 in the case of an emergency, and while on duty at any such racing meeting, be subject to the
671 operational authority of the board; provided, however, that such assignment or reassignment
672 shall not in any way impair any rights to which any officer may be entitled.

673 The board shall from funds available pay to the department of public safety the cost of
674 the salaries of the police officers so assigned from funds appropriated to the board.

675 All assignments and reassignments to the board, except as the commissioner of public
676 safety shall determine that an emergency exists or is threatened, shall be subject to the approval
677 of the chair of the board. Nothing herein shall prevent licensees from applying to the state police
678 if they have jurisdiction in the area where a racing meeting is to be held, or to the police
679 department of a city or town wherein a racing meeting is to be held, in order that such police
680 agency may furnish a police detail for safety or traffic purposes at any racing meeting authorized
681 by this chapter. The total cost for any such police detail shall be a sum equal to the salaries of the
682 police officers comprising such detail, plus a sum to cover the administrative expenses incurred
683 by the department of each such police officer.

684 The board shall employ as many veterinarians, chemists and laboratory technicians as it
685 deems necessary to insure the legitimate performance of the animals to be raced at any racing
686 meetings authorized by this chapter and to protect the health of such animals and the department
687 of public safety shall provide that such veterinarians, chemists and laboratory technicians shall
688 have access to the department's laboratory facilities.

689 Section 14. The board shall make periodic inspections of all of the installations and
690 facilities operated by its licensees, including stable areas and the office of the racing secretary
691 during the time that entries are being filed. Each member shall from time to time personally visit
692 the jockeys' room to observe the activity of the custodians and valets, and the operation of the
693 clerk of the scales, weighing procedures and security provisions. The activities of stewards,
694 placing judges, patrol judges and starters shall be closely supervised by said board and the
695 calculating and tote control room of the various tracks shall be regularly spot-checked to insure
696 fair and equitable results for the wagering public.

697 Section 15. The board shall have full power to prescribe rules, regulations and conditions
698 under which all horse races at horse racing meetings shall be conducted in the commonwealth
699 and may by rule or regulation prohibit licensees from admitting minors to horse racing meetings.

700 The board shall have power to prescribe special rules, regulations and conditions
701 applicable to horse racing meetings held under licenses granted hereunder in connection with a
702 state or county fair, or any exhibition for the encouragement or extension of agriculture.

703 The board shall prescribe rules and regulations under which betting accounts for account
704 wagering, as provided in section 10 of chapter 23K ½, shall be established, maintained and
705 operated.

706 Rules and regulations so prescribed shall be printed by the board and furnished in
707 reasonable numbers to anyone who may request them.

708 Any person violating any such rule or regulation shall, upon a complaint brought by the
709 board, be punished by a fine not exceeding \$5,000 or by imprisonment not exceeding one year,
710 or by both.

711 Section 16. For the purpose of enabling the board to exercise and maintain a proper
712 control over horse racing conducted under the provisions of this chapter, the rules, regulations
713 and conditions prescribed by the board under section 15 shall provide for the licensing and
714 registering at reasonable and uniform fees, of agents, assumed names, colors, partnerships and
715 minor agreements and shall provide for the licensing at reasonable and uniform fees of
716 veterinarians, blacksmiths, owners, trainers, jockeys and stable employees at horse tracks
717 participating in such racing, and any other persons having access to horses and all pari-mutuel
718 clerks and other persons with access to money wagered on races.

719 Such rules and regulations shall also provide for the fingerprinting of all licensees. Every
720 person so licensed shall be required to display and wear a badge containing a photograph. Such
721 rules and regulations may also provide for the suspension and revocation of licenses so granted
722 and for the imposition on persons so licensed of reasonable forfeitures and penalties for the
723 violation of any rule or regulation prescribed by the board and for the use of the proceeds of such
724 penalties and forfeitures.

725 The board shall have access to criminal offender record information of applicants for any
726 license granted under this chapter or chapter 23K ¼, including officers, directors and beneficial
727 owners of 10 per cent or more of the stock of a corporation applying for such a license, and for

728 applicants for employment by the board. Such access shall be exercised in accordance with
729 sections 167 to 178, inclusive, of chapter 6.

730 Section 17. Notwithstanding the provisions of section 5 of chapter 30A, no rule,
731 regulation or condition of the board promulgated under the provisions of this chapter shall take
732 effect except as hereinafter provided.

733 A copy of every such rule, regulation or condition shall be filed with the clerk of the
734 senate and shall be forthwith referred by them to the joint committee on consumer protection and
735 professional licensure.

736 Said committee shall file a written report with the clerks of the house and senate within
737 30 days after the filing of the copy thereof with said clerks, stating whether said rules,
738 regulations and conditions are consistent with the statutory provisions under which they were
739 promulgated.

740 Said rules, regulations and conditions shall take effect unless disapproved by a majority
741 vote of both branches of the general court within 60 days after the filing of the copy thereof with
742 the clerks of the house and senate unless the general court has prorogued within said 60 days.

743 If the general court prorogues within 60 days of the filing, with the clerks of the house
744 and senate of such rules, regulations and conditions, the clerks of the house and senate shall refer
745 the same to the committee on consumer protection and professional licensure the next session of
746 the general court.

747 Said committee shall report as hereinbefore provided within 30 days of the first day of
748 such session and such rules, regulations and conditions shall take effect unless disapproved by a

749 majority vote of both branches of the general court within 60 days of the first day of such
750 session.

751 The clerks of the house and senate shall notify the board of the action taken thereon by
752 the general court.

753 Notwithstanding the provisions of this section, the board may adopt emergency rules or
754 regulations to protect the health or safety of the public, participants, or animals; provided,
755 however, that no emergency rule or regulation shall attempt to regulate the dates, manner of
756 wagering, or economic terms or conditions of horse racing within the commonwealth; and
757 provided, further, that such emergency rules and regulations shall expire within 90 days.

758 Section 18. (a) Whoever, being under 21 years old, participates, whether personally or
759 through an agent, in the pari-mutuel or certificate system of wagering at a racing meeting held or
760 conducted by a licensee shall be punished by a fine not to exceed \$1,000.

761 (b) Whoever, being a licensee or an employee of a licensee, who knowingly allows a
762 person under the age of 21 to participate, whether personally or through an agent, in the pari-
763 mutuel or certificate system of wagering at a racing meeting held or conducted by such licensee
764 shall be punished, for a first offense, by imprisonment in the house of correction for not more
765 than 1 year or a fine not to exceed \$10,000, or both, and in the case of a person other than a
766 natural person, by a fine not to exceed \$500,000 and, for a second or subsequent offense, by
767 imprisonment in the house of correction for not more than 2 years or a fine not to exceed
768 \$50,000, or both, and in the case of a person other than a natural person, by a fine not to exceed
769 \$1,000,000.

770 (c) Whoever knowingly participates in the pari-mutuel or certificate system of wagering
771 at a racing meeting held or conducted by such licensee for or on behalf of a person under 21
772 years of age shall be punished by imprisonment in a house of correction for not more than 6
773 months or by a fine of not more than \$1,000 or both.

774 Section 19. Whoever, with intent to defraud, falsely makes, alters or forges a pari-mutuel
775 betting ticket issued under the provisions of section 9, or whoever, with intent to defraud, utters
776 and publishes as true a false, forged or altered pari-mutuel betting ticket issued under the
777 provisions of said section 9, knowing the same to be false, forged or altered, shall be punished by
778 a fine of not more than \$1,000 or by imprisonment in the state prison for not more than five years
779 or in a jail for not more than two years.

780 Section 20. Any person making a handbook, at any race track within the commonwealth,
781 or holding or conducting a gambling pool or managing any other type of wagering or betting on
782 the results of any horse or dog race, or aiding or abetting any of the foregoing types of wagering
783 or betting, except as permitted by this chapter, shall for a first offence be punished by a fine of
784 not more than two thousand dollars and imprisonment for not more than one year, and for a
785 subsequent offence by a fine of not more than \$10,000 and imprisonment for not more than two
786 years.

787 Section 21. Any jockey, trainer or owner of horses participating in horse racing, if found
788 guilty by the board of unfair riding or crooked tactics, may be barred or suspended from further
789 participation in racing throughout the commonwealth.

790 Section 22. No person shall administer or cause to be administered any drug, internally or
791 externally by injection, drench or otherwise, to any horse for the purpose of retarding,

792 stimulating or in any other manner affecting the speed of such horse in or in connection with a
793 race conducted under the provisions of this chapter. Whoever violates this section shall be
794 punished by a fine of \$5,000 or by imprisonment for one year, or both.

795 Section 23. No person shall influence, induce or conspire or connive with, or attempt so
796 to do, any owner, trainer, jockey, agent, driver, groom or other person associated with or
797 interested in or having charge of or access to any horse entered or to be entered in a race for the
798 purpose of fraudulently affecting the ultimate result of such race. Whoever violates this section
799 shall be punished by a fine of not less than \$100 nor more than \$3,000 or by imprisonment for
800 not more than one year, or both.

801 Section 24. Any board member or representative of the board or any person licensed to
802 conduct a horse racing meeting, including racing meetings conducted in connection with state or
803 county fairs, shall have the right to refuse admission to or eject from its premises any person
804 whose presence on said premises is detrimental, in the sole judgment of the board member or
805 representative of the board or of said licensee, to the proper and orderly conduct of a racing
806 meeting.

807 Any person who has been notified by any board member or representative of the board or
808 a licensee of a racing meeting not to enter or attempt to enter its premises and who thereafter,
809 without the express approval of any board member or representative of the board or the licensee,
810 enters or attempts to enter such premises while a racing meeting is being conducted therein, shall
811 be punished by a fine of not more than \$1,000 or by imprisonment for not more than six months,
812 or both. Any person so excluded by any board member or representative of the board or by a
813 licensee shall have a right of appeal to the commission. The commission shall hold a hearing

814 within ten days after any such person requests an appeal and may after such hearing by vote
815 allow such person admission to such meeting.

816 Section 25. No person shall hold or conduct, or assist, aid or abet in holding or
817 conducting, any horse racing meeting within the commonwealth unless such person shall comply
818 with the provisions of this chapter.

819 Any person holding or conducting or any person aiding or abetting in holding or
820 conducting, any horse racing meeting within the commonwealth in violation of any of the
821 provisions of this chapter shall, unless some other penalty for such violation is provided in this
822 chapter, be punished for each such offence by a fine of not more than \$10,000 or by
823 imprisonment for not more than one year, or both.

824 For the purpose of this section, each day on which any horse racing meeting shall be held
825 or conducted in violation of any of the provisions of this chapter shall be considered a separate
826 and distinct offence.

827 Section 26. Notwithstanding the provisions of this chapter or any general or special law
828 to the contrary, no dog racing or racing meeting where any form of betting or wagering on the
829 speed or ability of dogs occurs shall be conducted or permitted in this commonwealth and the
830 board is hereby prohibited from accepting or approving any application or request for racing
831 dates for dog racing.

832 Any person violating any provision of this section relative to dog racing shall be subject
833 to a civil penalty of not less than \$20,000 which shall be payable to the board and used for
834 administrative purposes of the board subject to appropriation.

835 CHAPTER 23K ½.

836 SIMULCAST WAGERING OF RACING.

837 Section 1. As used in this chapter, the following words shall have the following meanings
838 unless the context clearly requires otherwise:

839 "Advance deposit wagering", a form of pari-mutuel wagering in which a person deposits
840 money in an account with an advance deposit wagering hub operator licensed by the board to
841 conduct advance deposit wagering. The money is used to pay for pari-mutuel wagers made in
842 person, by telephone, or through a communication by other electronic means on horse or dog
843 races held in or outside the Commonwealth.

844 "Advance deposit wagering hub operator", a simulcast and interactive wagering hub
845 business operated by a racing meeting licensee or gaming licensee directly, or through an
846 agreement with an authorized and licensed service provider, and licensed by the board that,
847 through a subscriber-based service located in this or another state, conducts pari-mutuel
848 wagering on the races that it simulcasts and on other races that it carries in its wagering menu
849 and that uses a computer that registers bets and divides the total amount bet among those who
850 won.

851 "Board", the state racing board established in chapter 23K.

852 "Breaks", in the case of racing meetings conducted in the commonwealth by a racing
853 meeting licensee, the odd cents over any multiple of 10 cents of winnings per 1 dollar wagered.
854 In the case of racing meetings conducted at a host track outside the commonwealth, the amount

855 of the breaks shall be determined in accordance with the laws of the state in which the host track
856 is located.

857 "Commission", the Massachusetts gaming commission established in chapter 23K.

858 "Dark days", those days during a racing season on which live racing is not conducted.

859 "Dark season", that period of consecutive days between racing seasons during which a
860 racing meeting licensee may not conduct live racing performances.

861 "Full schedule of live racing performances", the conduct of no fewer than seven live races
862 at not less than four separate racing performances each full week during a racing season.

863 "Gaming licensee", a person or entity who holds a gaming license under chapter 23K.

864 "Guest track", a racing meeting licensee or an out-of-state pari-mutuel wagering facility
865 which accepts any simulcast wager on a live race conducted at another track which is presented
866 by simulcast at its facility.

867 "Host track", a racing meeting licensee or an out-of-state track which conducts a live race
868 which is the subject of inter-track simulcasting and simulcast wagering.

869 "Inter-track simulcasting", the simulcast of a live race conducted at one track to another
870 track, whether either of said tracks is inside or outside the commonwealth, to permit the recipient
871 of the simulcast to accept simulcast wagers on the race.

872 "Racing card", a full program of races on a specified day as approved by the state racing
873 commission at a racing meeting licensee, a pari-mutuel licensee, or other licensed wagering
874 facility located outside the commonwealth.

875 "Racing day", a day on which 1 or more racing performances are conducted.

876 "Racing meeting licensee", a person licensed by the board, under chapter 23K ¼ to
877 conduct live horse racing meetings; provided, however, that for the purposes of this chapter the
878 words racing meeting licensee shall not include licensees holding racing meetings in connection
879 with a state or county fair.

880 "Racing performance", the conduct of at least seven live races during one day.

881 "Racing season", that period of consecutive days including dark days during which a
882 racing meeting licensee conducts a full schedule of live racing performances pursuant to his
883 operating license.

884 "Simulcast", the broadcast, transmission, receipt or exhibition, by any medium or manner,
885 of a live race, including but not limited to, a system, network, or programmer which transmits, or
886 receives, television or radio signals by wire, satellite, or otherwise.

887 "Simulcast wager", a wager taken at a guest track on a race conducted live at another
888 track, whether inside or outside the commonwealth.

889 "Source market fee", the portion of a wager made with a licensed advance deposit
890 wagering hub operator by a Massachusetts resident that is paid to the board.

891 "Takeout", that amount of money wagered which is not returned as prize money to the
892 wagerers and which does not include the breaks as defined in section 9 of chapter 23K ¼.

893 Section 2. A racing meeting licensee, except a licensee operating within Berkshire
894 county, or gaming licensee shall have the right to simulcast live races, for wagering purposes or
895 otherwise, within the commonwealth except in Berkshire county and to and from pari-mutuel

896 licensees or other licensed wagering facilities located outside the commonwealth. Such right
897 shall only be exercised on any calendar day on which a racing meeting licensee conducts a racing
898 performance, a dark day or during a dark season. Any violation of the provisions of this chapter
899 shall be cause for the board to invoke its power to suspend or revoke a racing meeting licensee's
900 operating license under section 6 of chapter 23K ¼ or for the commission to invoke its power to
901 suspend or revoke a gaming licensee's operating license under section 3 of chapter 23K. A
902 racing meeting licensee shall make simulcasts of live races conducted by such racing meeting
903 licensee available to all otherwise eligible racing meeting licensees and gaming licensees who
904 have successfully made application to the board or commission to simulcast, on the same terms,
905 to include economic terms, and conditions.

906 All racing meeting licensees and gaming licensees, whether acting as a host or guest track
907 for simulcasting purposes shall file with the board, clerk of the senate and clerk of the house of
908 representatives a copy of all contracts, agreements, or conditions under which simulcast events
909 are broadcast, transmitted or received which shall include provisions for takeout, commissions
910 and charges.

911 No racing meeting licensee, whether acting as a guest track or a host track shall simulcast
912 live races unless said licensee conducts a full schedule of live racing performances during a
913 racing season except that if the board determines that a licensee cannot conduct a full schedule of
914 live racing performances due to weather conditions, race track conditions, strikes, work
915 stoppages, sickness or quarantine not within the control of the licensee, the board may permit the
916 licensee to continue simulcasting, and if it appears that a racing meeting licensee is or will
917 become unable to conduct a full schedule of live racing performances, the board shall suspend
918 such right to simulcast until said licensee conducts or resumes a full schedule of live racing

919 performances; provided, further, that no racing meeting licensee shall simulcast live races unless
920 each said racing meeting licensee is licensed to conduct no fewer than a total of 60 racing
921 performances.

922 All simulcasts shall comply with the provisions of the Interstate Horseracing Act of 1978,
923 15 U.S.C. Sec. 3001 et seq. or other applicable federal law; provided, however, that all
924 simulcasts from states whose racing associations do not require approval in compliance with the
925 Interstate Horseracing Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during the
926 month of August, shall require the approval of the New England Horsemen's Benevolent and
927 Protective Association, or other entity deemed appropriate by the board, prior to being simulcast
928 to any racing meeting licensee within the commonwealth; provided, further, that if said
929 association agrees to approve such simulcast for one racing meeting licensee, it shall approve the
930 simulcast for all otherwise eligible racing meeting licensees.

931 Each racing meeting and gaming licensee shall pay a fee for those days, whether a dark
932 day, a day during a dark season, or any day between periods of racing under an operating license,
933 when no live races are conducted but simulcast races are shown and simulcast wagers are
934 accepted. Such fee shall be determined by the board in accordance with the license fees charged
935 under the provisions of chapter 23K $\frac{1}{4}$. No other daily fee shall be assessed.

936 Section 3. All wagers on simulcast races accepted by a racing meeting licensee or gaming
937 licensee within the commonwealth or by a pari-mutuel licensee in another jurisdiction when such
938 licensee is operating as a guest track shall be included in the pari-mutuel pool of the racing
939 meeting licensee which conducts the live race, unless the board approves a different procedure.

940 The board shall promulgate rules as are necessary to facilitate the commingling of pari-
941 mutuel pools, to ensure the proper calculations and distributions of payments and takeouts on
942 such wagers and to regulate the distribution of net proceeds as provided in this chapter.

943 Section 4. The unclaimed simulcast wagers collected by the gaming licenses, the running
944 horse racing meeting licensee, and the harness horse racing meeting licensee shall be deposited
945 in a separate account under the control and supervision of the board for payment to the purse
946 accounts of the racing meeting that generated the unclaimed wagers.

947 Section 5. (a) Each racing meeting licensee within the commonwealth acting as a guest
948 track and simulcasting a live running horse race from a host track within the commonwealth
949 shall pay daily from such simulcast wagers a sum equal to 0.125 per cent and the total sum of the
950 breaks into the trust fund known as the Thoroughbred Horse Capital Improvements Trust Fund
951 under the direction and supervision of the state racing board members.

952 Each such racing meeting licensee acting as a guest track shall return to the winning
953 patrons wagering on such simulcast race all sums so deposited as an award or dividend,
954 according to the acknowledged and recognized rules and methods under which such pari-mutuel
955 or certificate system has been operated, less such breaks and less an amount not to exceed 19 per
956 cent of the total amount so deposited by patrons wagering on the speed or ability of any one
957 running horse, also known as a straight wager, and, each such licensee shall return to the winning
958 patrons wagering on the speed or ability of a combination of more than one horse in a single
959 pool, also known as an exotic wager, all sums so deposited as an award or dividend, less such
960 breaks, and less an amount not to exceed 26 per cent of the total amount so deposited.

961 The licensee shall pay to the board on behalf of the commonwealth on the day following
962 each day of simulcasting, a sum equal to 0.375 per cent; a sum equal to 0.5 per cent to the
963 breeders association of the most recent live racing performance at the guest track for the
964 purposes of promoting the respective breeding in the commonwealth pursuant to law; a sum
965 equal to 5 per cent to be paid from the 19 per cent withheld and a sum of 6 per cent to be paid
966 from the 26 per cent withheld to the horse owners at the host track for purses in accordance with
967 the rules and established customs of conducting running horse racing meetings or, with the
968 approval of the appropriate horsemen's association representing the horse owners racing at that
969 meeting, for payment of administrative and horseracing operations; said percentage to be paid
970 from the 19 per cent and the 26 per cent withheld, as provided in this section.

971 The sum of 4.25 per cent of the straight wagering pool and 7 per cent of the exotic
972 wagering pool shall be paid to the racing meeting licensee at the host track; 8.75 per cent of the
973 straight wagering pool and 11.75 per cent of the exotic wagering pool shall be retained by the
974 racing meeting licensee at the guest track; provided, however, that not less than 3.5 per cent shall
975 be paid to the horse owners, of the most recent live racing performance at the guest track, for
976 purses or, with the approval of the appropriate horsemen's association representing the horse
977 owners racing at that meeting, for payment of administrative and horseracing operations, said
978 percentages to be paid from the 19 per cent and 26 per cent withheld as provided in this section.

979 (b) Each racing meeting licensee within the commonwealth acting as a guest track and
980 simulcasting a live running horse race from a host track from outside the commonwealth shall
981 pay daily from such simulcast wagers the sum of 0.125 per cent and the total sum of the such
982 breaks into the trust fund known as the Thoroughbred Horse Capital Improvements Trust Fund
983 under the direction and supervision of the state racing board members.

984 Each licensee shall return to the winning patrons all sums so deposited less the breaks
985 and less either an amount not to exceed 19 per cent of the straight wagering pool and 26 per cent
986 of the exotic wagering pool or the amount which would be paid under the laws of the jurisdiction
987 exercising regulatory authority over the host track; provided, however, that, from the total of the
988 percentages withheld, the sum of 0.375 per cent shall be paid daily to the board on behalf of the
989 commonwealth; the sum of 0.5 per cent shall be paid daily to the breeders' association of the
990 most recent live racing performance at the guest track for the purposes of promoting the
991 respective breeding of the animals in the commonwealth pursuant to law; and the remaining
992 percentages shall be retained by the racing meeting licensee as their commission; provided
993 further, that the running horse racing meeting licensee and the appropriate horseman's
994 association representing the horse owners racing at that race track shall contract between
995 themselves a percentage of not less than 4 per cent and not more than 7.5 per cent of the
996 remaining percentages to be paid to the horse owners.

997 Section 5A. (a) Each racing meeting licensee within the commonwealth acting as a guest
998 track and simulcasting a live harness horse race from a host track within the commonwealth shall
999 pay daily from such simulcast wagers the total sum of the breaks, and a sum equal to 1 per cent
1000 of the exotic wagering pool into the trust fund known as the Standardbred Horse Capital
1001 Improvements Trust Fund under the direction and supervision of the state racing board members.

1002 Each such racing meeting licensee acting as a guest track shall return to the winning
1003 patrons wagering on such simulcast race all sums so deposited as an award or dividend,
1004 according to the acknowledged and recognized rules and methods under which such pari-mutuel
1005 or certificate system has been operated, less the such breaks and less an amount not to exceed 19
1006 per cent of the total amount so deposited by patrons wagering on the speed or ability of any one

1007 harness horse, also known as a straight wager, and each such licensee shall return to the winning
1008 patrons wagering on the speed or ability of a combination of more than one horse in a single
1009 pool, also known as an exotic wager, all sums so deposited as an award or dividend, less such
1010 breaks and less an amount not to exceed 26 per cent of the total amount so deposited.

1011 The licensee shall pay to the board on behalf of the commonwealth on the day following
1012 each day of simulcasting a sum equal to 0.375 per cent; a sum equal to 0.25 per cent to the
1013 breeders association of the most recent live performance at the guest track for the purpose of
1014 promoting the respective breeding of such animals in the commonwealth pursuant to law; a sum
1015 equal to 5 per cent shall be paid to the horse owners for purses at the host track in accordance
1016 with the rules and established customs of conducting harness horse racing meetings; a sum equal
1017 to 5.875 per cent shall be paid to the racing meeting licensee at the host track; a sum equal to 7.5
1018 per cent shall be retained by the racing meeting licensee at the guest track; provided, however,
1019 that not less than 3.5 per cent shall be paid to the horse owners of the most recent live racing
1020 performance at the guest track, for purses, said percentages to be paid from the 19 per cent
1021 withheld from the straight wager as provided in this section.

1022 The licensee shall pay to the board on behalf of the commonwealth on the day following
1023 each day of simulcasting a sum equal to 0.375 per cent; a sum equal to 0.75 per cent to the
1024 breeders association of the most recent live racing performance at the guest track for the purpose
1025 of promoting the respective breeding of such animals in the commonwealth pursuant to law; a
1026 sum equal to 6 per cent to be paid to the horse owners at the host track for purses in accordance
1027 with the rules and established customs of conducting harness horse racing meetings; a sum equal
1028 to 6.875 per cent shall be paid to the racing meeting licensee at the host track; a sum equal to 11
1029 per cent shall be retained by the racing meeting licensee at the guest track; provided, however,

1030 that not less than 3.5 per cent shall be paid to the horse owners, of the most recent live racing
1031 performance at the guest track, for purses, said percentages to be paid from the 26 per cent
1032 withheld from the exotic wager pool as provided in this section.

1033 (b) Each racing meeting licensee within the commonwealth acting as a guest track and
1034 simulcasting a live harness horse race from a host track from outside the commonwealth shall
1035 pay daily from such simulcast wagers the total sum of such breaks into the trust fund known as
1036 the Standardbred Horse Capital Improvement Trust Fund under the direction and supervision of
1037 the state racing board members.

1038 Each licensee shall return to the winning patrons all sums so deposited less such breaks
1039 and less either an amount not to exceed 19 per cent of the straight wagering pool and 26 per cent
1040 of the exotic wagering pool or the amount which would be paid under the laws of the jurisdiction
1041 exercising regulatory authority over the host track; provided, however, that, from the total of the
1042 percentages withheld, the sum of 0.375 per cent shall be paid daily to the board on behalf of the
1043 commonwealth; the sum of 1 per cent of the exotic wagering pool shall be paid daily to the
1044 Standardbred Horse Capital Improvement Trust Fund under the direction and supervision of the
1045 state racing board members; the sums of 0.25 per cent of the straight wagering pool and 0.75 per
1046 cent of the exotic wagering pool shall be paid daily to the breeders' association of the most recent
1047 live racing performance at the guest track for the purposes of promoting the breeding of the
1048 animals in the commonwealth pursuant to law; and the remaining percentages shall be retained
1049 by the racing meeting licensee as their commission; provided, however, that the harness horse
1050 racing meeting licensee and the appropriate horseman's association representing the horse
1051 owners racing at the race track shall contract between themselves a percentage of not less than 4

1052 per cent and not more than 7.5 per cent of the remaining percentages to be paid to the horse
1053 owners.

1054 Section 6. (a) If a new running horse racing meeting licensee should replace the existing
1055 running horse meeting licensee during any point in a calendar year and a new contract is not
1056 agreed upon between the new running horse meeting licensee and the horseman's association
1057 before the start of the next racing season, then the last signed, executed and completed contract
1058 between the previous running horse racing meeting licensee and the horseman's association shall
1059 remain in effect for the racing season only or until a new contract is agreed upon.

1060 (b) If a new harness horse racing meeting licensee should replace the existing harness
1061 horse meeting licensee during any point in a calendar year and a new contract between the new
1062 harness horse meeting licensee and the horseman's association is not agreed upon before the start
1063 of the next racing season, then the last signed, executed and completed contract between the
1064 previous harness horse racing meeting licensee and the horseman's association shall remain in
1065 effect for the racing season only or until a new contract is agreed upon

1066 Section 7. Notwithstanding section 2, a running horse racing meeting licensee, excluding
1067 a licensee in Berkshire county, which is conducting running horse racing meetings in connection
1068 with a state or county fair, may, with the permission of the board and subject to the approval of
1069 the city council and mayor or board of selectmen and town meeting of a city or town where the
1070 fair is located, and following a demonstration by said licensee of its ability to complete no less
1071 than 50 per cent of the live races performances approved by the board, simulcast unlimited
1072 thoroughbred horse races and the intrastate live races of the racing meeting licensees in the
1073 commonwealth on any day if such simulcast is conducted in connection with a state or county

1074 fair, for wagering purposes or otherwise, from pari-mutuel wagering facilities located within the
1075 commonwealth except in Berkshire county; but, if the board determines that a licensee cannot
1076 conduct 50 per cent of live racing performances due to weather conditions, race track conditions,
1077 strikes, work stoppages, sickness or quarantine not within the control of the licensee, the board
1078 may permit the licensee to continue simulcasting on that day despite the stoppage of the
1079 performances for said reasons. The total number of days of simulcast at the state or county fair,
1080 which is licensed by the board for live running horse racing meetings, shall not exceed the total
1081 number of days the live racing licensee is licensed to operate or 15 days, whichever is less. The
1082 licensee shall simulcast its live racing performances and receive a fee therefor of 11 per cent;
1083 provided, however, that said simulcast shall not be considered a live in-state racing performance
1084 for purposes of the fourth paragraph of section 2.

1085 The racing meeting licensees conducting running horse racing meetings in connection
1086 with a state or county fair and simulcasting a live running horse race from a host track within the
1087 commonwealth shall pay daily from such simulcast wagers the total sum of the breaks and a sum
1088 equal to 0.125 per cent into the host track trust fund known as the Running Horse Capital
1089 Improvements Trust Fund, under the direction and supervision of the state racing board
1090 members.

1091 The board shall promulgate rules and regulations for the simulcast of pari-mutuel races in
1092 connection with state or county fairs.

1093 Each such racing meeting licensee acting as a guest track shall return to the winning
1094 patrons wagering on such simulcast race all sums so deposited as an award or dividend,
1095 according to the acknowledged and recognized rules and methods under which such pari-mutuel

1096 or certificate system has been operated, less the breaks and less an amount not to exceed 19 per
1097 cent of the total amount so deposited by the patrons wagering on the speed or ability of any one
1098 running horse, also known as a straight wager, and, each such licensee shall return to winning
1099 patrons wagering on the speed or ability of a combination of more than one horse in a single
1100 pool, also called an exotic wager, all sums so deposited as an award or dividend, less the breaks,
1101 and less an amount not to exceed 26 per cent of the total amount so deposited; provided,
1102 however, that a sum equal to 0.25 per cent of the total amount deposited on said exotic wagering
1103 pool shall be payable to the division of fairs of the commonwealth; provided, further, that the
1104 division of fairs may expend such funds without further appropriation and for such purposes as
1105 authorized under the provisions of paragraph (f) of section 2 of chapter 128; and provided,
1106 further, that such expenditures by the division of fairs shall not exceed \$50,000 in any fiscal
1107 year.

1108 The licensee shall pay to the board on behalf of the commonwealth on the day following
1109 each day of simulcasting, a sum equal to 0.375 per cent; a sum equal to 0.5 per cent to the
1110 breeders' association of the most recent live racing performance at the host track for the purposes
1111 of promoting the breeding of such animals in the commonwealth pursuant to law; a sum equal to
1112 5 per cent to be paid from the 19 per cent withheld and a sum of 6 per cent to be paid from the 26
1113 per cent withheld to the horse owners at the host track for the purses in accordance with the rules
1114 and established customs of conducting running horse racing meetings.

1115 The sum of 4.25 per cent of the straight wagering pool and 7 per cent of the exotic
1116 wagering pool shall be paid to the racing meeting licensee at the host track; and 8.75 per cent of
1117 the straight wagering pool and 11.75 per cent of the exotic wagering pool shall be retained by the
1118 racing meeting licensee at the guest track; provided, however, that not less than 3.5 per cent shall

1119 be paid to the horse owners, of the most recent live racing performance at the host track, for
1120 purses, said percentages to be paid from the 19 per cent and 26 per cent withheld as provided in
1121 this section.

1122 All simulcasts shall comply with the provisions of the Interstate Horse Racing Act of
1123 1978, 15 U.S.C. Sec. 3001 et seq. or other applicable federal law; provided, however, that all
1124 simulcasts from states which have racing associations that do not require approval in compliance
1125 with the Interstate Horse Racing Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts
1126 during the month of August, shall require the approval of the New England Horsemen's
1127 Benevolent and Protective Association, or other entity deemed appropriate by the board, prior to
1128 being simulcast to any racing meeting licensee within the commonwealth; provided further, that
1129 if the association agrees to approve such simulcast for 1 racing meeting licensee, it shall approve
1130 the simulcast for all otherwise eligible racing meeting licensees.

1131 Section 8. (a) Each gaming licensee within the commonwealth acting as a guest track and
1132 simulcasting a live running or harness horse race from a host track within the commonwealth
1133 shall pay daily from such simulcast wagers a sum equal to 0.125 per cent and the total sum of the
1134 breaks into the trust fund of the most recent live performance at the guest track under the
1135 direction and supervision of the state racing board members.

1136 Each such gaming licensee acting as a guest track shall return to the winning patrons
1137 wagering on such simulcast race all sums so deposited as an award or dividend, according to the
1138 acknowledged and recognized rules and methods under which such pari-mutuel or certificate
1139 system has been operated, less such breaks and less an amount not to exceed 19 per cent of the
1140 total amount so deposited by patrons wagering on the speed or ability of any one running horse,

1141 also known as a straight wager, and, each such licensee shall return to the winning patrons
1142 wagering on the speed or ability of a combination of more than one horse in a single pool, also
1143 known as an exotic wager, all sums so deposited as an award or dividend, less such breaks, and
1144 less an amount not to exceed 26 per cent of the total amount so deposited.

1145 The licensee shall pay to the board on behalf of the commonwealth on the day following
1146 each day of simulcasting, a sum equal to 0.375 per cent; a sum equal to 0.5 per cent to the
1147 breeders association of the most recent live racing performance at the guest track for the
1148 purposes of promoting the respective breeding in the commonwealth under law; a sum equal to 5
1149 per cent to be paid from the 19 per cent withheld and a sum of 6 per cent to be paid from the 26
1150 per cent withheld to the horse owners at the host track for purses in accordance with the rules and
1151 established customs of conducting running horse racing meetings or, with the approval of the
1152 appropriate horsemen's association representing the horse owners racing at that meeting, for
1153 payment of administrative and horseracing operations; said percentage to be paid from the 19 per
1154 cent and the 26 per cent withheld, as provided in this section.

1155 The sum of 4.25 per cent of the straight wagering pool and 7 per cent of the exotic
1156 wagering pool shall be paid to the racing meeting licensee at the host track; 8.75 per cent of the
1157 straight wagering pool and 11.75 per cent of the exotic wagering pool shall be retained by the
1158 gaming licensee at the guest track; provided, however, that not less than 3.5 per cent shall be
1159 paid to the horse owners, of the most recent live racing performance at the guest track, for purses
1160 or, with the approval of the appropriate horsemen's association representing the horse owners
1161 racing at that meeting, for payment of administrative and horseracing operations, said
1162 percentages to be paid from the 19 per cent and 26 per cent withheld as provided in this section.

1163 (b) Each gaming licensee within the commonwealth acting as a guest track and
1164 simulcasting a live running or harness horse race from a host track from outside the
1165 commonwealth shall pay daily from such simulcast wagers the sum of 0.125 per cent and the
1166 total sum of the such breaks into the trust fund of the most recent live performance at the guest
1167 track under the direction and supervision of the state racing board members.

1168 Each licensee shall return to the winning patrons all sums so deposited less the breaks
1169 and less either an amount not to exceed 19 per cent of the straight wagering pool and 26 per cent
1170 of the exotic wagering pool or the amount which would be paid under the laws of the jurisdiction
1171 exercising regulatory authority over the host track; provided, however, that, from the total of the
1172 percentages withheld, the sum of 0.375 per cent shall be paid daily to the board on behalf of the
1173 commonwealth; the sum of 0.5 per cent shall be paid daily to the breeders' association of the
1174 most recent live racing performance at the guest track for the purposes of promoting the
1175 respective breeding of the animals in the commonwealth under law; and the remaining
1176 percentages shall be retained by the gaming licensee as their commission; provided further, that
1177 the gaming licensee and the appropriate horseman's association representing the horse owners
1178 racing at the host race track shall contract between themselves a percentage of not less than 4 per
1179 cent and not more than 7.5 per cent of the remaining percentages to be paid to the horse owners.

1180 Section 9. (a) Each racing meeting licensee within the commonwealth acting as a guest
1181 track and simulcasting a live greyhound race from a host track from outside the commonwealth
1182 shall return to the winning patrons all sums so deposited less such breaks and less either an
1183 amount not to exceed 19 per cent of the total amount so deposited or an amount which would be
1184 paid under the laws of the jurisdiction exercising regulatory authority over such host track;
1185 provided, however, that a sum equal to 0.375 per cent of the total amount wagered shall be paid

1186 daily to the board on behalf of the commonwealth; a sum equal to 0.5 per cent of the total
1187 amount wagered shall be paid to the Capital Improvement Trust Fund of the racing meeting
1188 licensee acting as a guest track under the direction and supervision of the state racing board
1189 members; and the remaining percentages shall be retained by the racing meeting licensee as their
1190 commission; provided, however, that not less than 3.5 per cent shall be paid to the purses of the
1191 racing meeting licensee acting as a guest track, and the remaining portion shall be applied to the
1192 expenses as the racing meeting licensee is required to pay under contracts negotiated with the
1193 host track.

1194 (b) Each gaming licensee within the commonwealth acting as a guest track and
1195 simulcasting a live greyhound race from a host track from outside the commonwealth shall return
1196 to the winning patrons all sums so deposited less such breaks and less either an amount not to
1197 exceed 19 per cent of the total amount so deposited or an amount which would be paid under the
1198 laws of the jurisdiction exercising regulatory authority over such host track; provided, however,
1199 that a sum equal to 0.375 per cent of the total amount wagered shall be paid daily to the board on
1200 behalf of the commonwealth; a sum equal to 0.5 per cent of the total amount wagered shall be
1201 paid to the Race Horse Development Fund under the direction and supervision of the board
1202 members; and the remaining percentages shall be retained by the gaming licensee as their
1203 commission; provided, however, that not less than 3.5 per cent shall be paid to for school aid to
1204 cities, towns, regional school districts, counties maintaining agricultural schools, independent
1205 vocational schools and independent agricultural and technical schools to be distributed under
1206 chapters 70 and 76 of the General Laws and section 3, and the remaining portion shall be applied
1207 to the expenses as the gaming licensee is required to pay under contracts negotiated with the host
1208 track.

1209 Section 10. (a) The board may license an advance deposit wagering hub operator to
1210 conduct advance deposit wagering. The board shall impose an initial non-refundable application
1211 fee which of \$2,500 which shall be paid by each applicant for such license or renewal thereof.
1212 Advance deposit wagering is prohibited and illegal unless it is conducted through an advance
1213 deposit wagering hub operator licensed by the board.

1214 (b) A licensed advance deposit wagering hub operator:

1215 (1) may only accept advance deposit wagering money for races conducted in compliance
1216 with the interstate horse racing act or by a licensed race meet;

1217 (2) may not accept a wager in an amount in excess of the money on deposit in the account
1218 of a person who wishes to make the wager;

1219 (3) may not rebate any money to a bettor based on a wager made under this chapter or
1220 chapter 23K ¼;

1221 (4) may not allow a person under 18 years of age to open an account with the advance
1222 deposit wagering hub operator, make a wager from an account, or otherwise have access to an
1223 account;

1224 (5) shall include a statement in any of its advertising for advance deposit wagering that a
1225 person under 18 years of age is not allowed to participate;

1226 (6) shall verify the identification, residence, and age of each person seeking to open an
1227 advance deposit wagering account which shall not be assignable or otherwise transferable;

1228 (7) shall utilize personal identification numbers and such other technologies as the board
1229 may specify to assure that only the account holder has access to the advance deposit wagering
1230 account;

1231 (8) may require a minimum balance in an account, which the board shall prescribe by
1232 regulation;

1233 (9) shall utilize appropriate totalizator and accounting controls to safeguard the
1234 transmission of wagering data, and keep a system of accounts to maintain a separate record of
1235 revenues and an accounting of costs relative to the operation of the hub operator;

1236 (10) shall agree to pay to the board a source market fee in an amount equal to a
1237 percentage of the total amount wagered by Massachusetts residents from their accounts with the
1238 advance deposit wagering hub operator; and

1239 (11) shall agree to a payment schedule of source market fees on or before the fifth
1240 business day of each month covering payments due for the period of the preceding calendar
1241 month.

1242 (c) A licensed advance deposit wagering hub operator shall pay a source market fee equal
1243 to 5 per cent on each wager accepted from Massachusetts residents. Of the amounts collected
1244 under this subsection:

1245 (1) 4 per cent shall be payable to for school aid to cities, towns, regional school districts,
1246 counties maintaining agricultural schools, independent vocational schools and independent
1247 agricultural and technical schools to be distributed under chapters 70 and 76 of the General Laws
1248 and section 3;

1249 (2) 6 per cent shall be payable to the Race Horse Development Fund;

1250 (3) 10 per cent shall be payable to the General Fund; and

1251 (4) 80 per cent shall be payable to live race meet licensees based on each live race meet
1252 licensee's percentage of the total annual on-track pari-mutuel handle during the previous live race
1253 season. Prior to the beginning of each year's live race season, the correct percentage must be
1254 distributed by the board to each live race meet licensee to be used for race purses or other
1255 purposes that the board considers appropriate for the good of the horseracing industry; provided,
1256 however, that a minimum of 20 per cent shall be dedicated to race purses.

1257 (d) Wagers placed with the operators shall result in the combination of all wagers placed
1258 with such operators with the wagering pools at the host track so as to produce common pari-
1259 mutuel betting pools for the calculation of odds and the determination of payouts from such
1260 pools, which payout shall be the same for all winning tickets, irrespective of whether a wager is
1261 placed at a host track or at an advance deposit wagering hub operator in compliance with this
1262 chapter and chapter 23K ¼.

1263 (e) Each licensee shall, with respect to each betting account established with such
1264 licensee, make tax withholdings and provide tax and revenue reporting, all as otherwise required
1265 for wagers placed at a racing meeting licensee.

1266 (f) The balance in any betting account maintained by a person licensed under this section,
1267 which account has been inactive for a period of 3 years, shall be presumed to be abandoned and
1268 paid to the state treasurer under the provisions of chapter 200A.

1269 (g) The licensee may refuse to establish or maintain a betting account and may refuse
1270 deposits to any such account if the licensee deems such refusal appropriate; provided, however,
1271 that such licensee shall not establish or maintain a betting account for any person who has been
1272 banned or prohibited from entering the premises of a racing meeting licensee or gaming
1273 establishment in the commonwealth. The licensee may suspend or close any account at any time;
1274 provided, however, that the licensee shall return to the account holder any funds that are on
1275 deposit in the account at the time it is closed.

1276 (h) No race shall be telecast live to a public location outside of a guest track if used in
1277 conjunction with the operation of the account wagering system in a manner that creates an off-
1278 track betting center. This section prohibits any contract or other agreement of a person licensed
1279 to conduct a running horse or harness horse racing meeting that facilitates or encourages off-
1280 track betting as well as any arrangement involving dedicated or direct telephone lines or other
1281 electronic connections between the licensee's facility and a public location outside the area of the
1282 licensee's facility at which live telecasts of races are presented. This section shall not prohibit
1283 television display of races at public locations when account wagering is incidental to the
1284 presentation of such races and the telecasting does not occur in conjunction with the operation of
1285 an off-track betting center within the commonwealth.

1286 (i) Betting accounts authorized by this section shall be established, maintained and
1287 operated in accordance with rules and regulations promulgated by the board. The board shall
1288 conduct annual audits of each advance deposit wagering hub operator within 90 days of the end
1289 of each calendar year with respect to all monies attributable to account wagers. The board shall
1290 report the findings of each such audit within 30 days of the completion of the audit to the house
1291 and senate chairs of the joint committee on consumer protection and professional licensure.

1292 (j) A licensee failing to comply with this section shall be punished by a fine of not more
1293 than \$10,000 or by imprisonment in the house of correction for not more than two years, or both.
1294 A licensee failing to comply with the requirements of the section shall also be subject to
1295 revocation of their license and civil penalties imposed by the board of not more than \$10,000 if,
1296 after notice and a hearing, the board finds that a violation has occurred.

1297 Section 11. (a) The board shall have full power to promulgate rules, regulations, and
1298 conditions under which all running horse, harness horse, or greyhound racing simulcasts and
1299 simulcast and advance deposit wagers shall be conducted in the commonwealth.

1300 (b) Notwithstanding the provisions of this section, the board may adopt emergency rules
1301 or regulations to protect the health or safety of the public, participants, or animals, or to insure
1302 the integrity of racing and pari-mutuel and advance deposit wagering; provided, however, that no
1303 emergency rule or regulation shall attempt to regulate the dates, manner of wagering, or
1304 economic terms or conditions of racing within the commonwealth; provided, further, that such
1305 emergency rules and regulations shall expire within 90 days of their promulgation.

1306 SECTION 14. Section 2 of chapter 128 of the General Laws, as so appearing, is hereby
1307 amended by striking out subsection (g) and inserting in place thereof the following subsection:-

1308 (g) Promote, develop and encourage through the Massachusetts Thoroughbred Breeding
1309 Program, the breeding of thoroughbred horses in the commonwealth by offering cash prizes to
1310 breeders of such horses. The Massachusetts Thoroughbred Breeders Association, Inc. shall from
1311 time to time in consultation with the chair of the state racing board set the percentages for
1312 bonuses to be awarded to the breeder of a Massachusetts bred thoroughbred horse, of the purse
1313 monies won by said thoroughbred horse in any pari-mutuel running horse race if said horse

1314 finishes first, second, third, fourth or fifth; the percentage for incentives to the owner of the
1315 stallion, at the time of service to the dam of such purse winner; provided, however, that (i) the
1316 stallion was registered by February 1st and stood the entire breeding season for that year in the
1317 commonwealth, (ii) the horse finishes first, second, third, fourth or fifth and (iii) said stallion is
1318 registered with the Massachusetts Thoroughbred Breeders Association, Inc. and was not
1319 registered to stand in any other state that year; the percentage for incentives for the purse monies
1320 won by said thoroughbred horse in any unrestricted or restricted pari-mutuel running horse race
1321 held within or outside the commonwealth to the owner of a Massachusetts bred or accredited
1322 horse if said horse finishes first, second, third, fourth or fifth.

1323 The Massachusetts Thoroughbred Breeders Association, Inc. is further authorized to pay
1324 incentives for races to be limited to Massachusetts bred and accredited thoroughbred race horses
1325 from the Massachusetts thoroughbred breeding program at licensed pari-mutuel race meetings
1326 authorized by the state racing board and in consultation with the chair of said board, and to pay
1327 cash incentives to encourage breeding in Massachusetts. Such races may be betting or non-
1328 betting races and may or may not be scheduled races by the licensee conducting the racing
1329 meeting. Purse monies paid by the association under this section may be in such amounts as the
1330 association shall determine and may be the sole cash purse for such races or may be
1331 supplemental to the cash purses established by the licensee; and such discretion shall include the
1332 discretion to set an overall cap on awards earned.

1333 No person shall be eligible for the prizes provided herein unless the following standards
1334 are met:

1335 (1) The foal of a thoroughbred mare that drops said foal in the commonwealth shall be a
1336 Massachusetts bred; or

1337 (2) The foal of a thoroughbred mare who resides in the commonwealth continuously for
1338 at least 90 days which includes foaling and foals in the commonwealth shall be Massachusetts
1339 bred.

1340 (3) Any foal that is raised in the commonwealth for six months continuously prior to
1341 December 31st of its two year old year shall be a Massachusetts accredited horse.

1342 (4) In either case of subparagraph (1),(2) or (3) each thoroughbred foal dropped or raised
1343 in the commonwealth shall be registered with the Jockey Club, and the Massachusetts
1344 Thoroughbred Breeders Association, Inc.

1345 (5) Prior to the first day of September of each year, each person standing a thoroughbred
1346 stallion in the commonwealth at either private or public service shall file with the Massachusetts
1347 Thoroughbred Breeders Association, Inc.: (A) a list of all thoroughbred mares bred to such
1348 stallion in that year; and (B) a verified statement representing that said stallion stood the entire
1349 breeding season in the commonwealth.

1350 A Massachusetts accredited thoroughbred shall be eligible for any Massachusetts bred
1351 race, except for Massachusetts restricted stakes races. For Massachusetts bred stake races
1352 Massachusetts accredited horses may enter to fill the race after all Massachusetts bred have
1353 already been entered in the race. A full race shall be determined by Massachusetts
1354 Thoroughbred Breeders Association, Inc. and the hosting track for the race.

1355 Prior to the first day of September of each year, each person raising a weanling or
1356 yearling in Massachusetts for six months prior to December 31st of the horse's two-year old year
1357 shall file with the Massachusetts Thoroughbred Breeders Association, Inc. a verified statement
1358 that it is raising the horse in Massachusetts and the location of the horse.

1359 The Massachusetts Thoroughbred Breeders Association, Inc. is hereby further authorized
1360 to pay foaling bonuses to the owner of any mare that foals within the commonwealth. To be
1361 eligible for such bonus, prior to foaling, the owner of such mare shall file with the Massachusetts
1362 Thoroughbred Breeders Association, Inc. a verified statement that the mare is in foal, the
1363 expected due date and the location of the mare.

1364 The Massachusetts Thoroughbred Breeders Association, Inc. is hereby further authorized
1365 to expend up to 12 per cent of the amount received each fiscal year for said program for
1366 advertising, marketing, promotion, and administration for the thoroughbred breeding program in
1367 the commonwealth.

1368 The state auditor shall annually audit the books of the Massachusetts Thoroughbred
1369 Breeders Association Inc., to ensure compliance with this subsection.

1370 SECTION 15. Said section 2 of said chapter 128 of the General Laws, as so appearing, is
1371 hereby further amended by striking out subsection (j) and inserting in place thereof the following
1372 subsection:-

1373 (j) Promote, develop and encourage, through the Massachusetts Standardbred Breeding
1374 Program, the breeding of standardbred horses in the commonwealth by offering cash prizes to
1375 breeders of such horses. The representative organization of standardbred breeders and owners
1376 approved by the state racing board shall, from time to time in consultation with the chair of the

1377 racing board and the commissioner of the department of food and agriculture, set the percentages
1378 for purses to be awarded to the breeder of a Massachusetts standardbred horse.

1379 The representative organization of standardbred breeders and owners approved by the
1380 state racing commission may pay cash purses and stallion awards for stakes races limited to
1381 Massachusetts bred standardbred race horses and qualified Massachusetts stallions from the
1382 Massachusetts standardbred breeding program at licensed pari-mutuel racing meetings
1383 authorized by the state racing board. Such races may be betting or non-betting races and may or
1384 may not be scheduled races by the licensee conducting the racing meeting. All races for the
1385 standardbred breeding program shall be held at a licensed pari-mutuel facility. Purse monies and
1386 stallion awards paid by the representative organization of standardbred breeders and owners
1387 approved by the state racing commission may be paid in such amounts as the representative
1388 organization shall determine and may be either the sole cash purse for such races or may be
1389 supplemental to the cash purses established by the licensee of the pari-mutuel facility.

1390 The standardbred horses eligible to participate in the purses provided herein shall be
1391 limited to those of racing ages 2 and 3 and shall have met the following requirements:

1392 (1) the qualifying standardbred horses shall have been sired by a Massachusetts registered
1393 stallion on file with the department of food and agriculture; provided, however, that the stallion
1394 shall have stood the entire breeding season of February 1 to July 15, inclusive, in the
1395 commonwealth in the year any such eligible foal was conceived; or

1396 (2) the foal of a standardbred mare that drops the foal in the commonwealth and is bred
1397 back to a Massachusetts registered stallion; or the foal of a standardbred mare that resides in the

1398 commonwealth from December 1 of the year prior to foaling and continues such residence until
1399 foaling and foals in the commonwealth;

1400 (3) in either the case of subparagraph (1) or (2), each standardbred foal dropped in the
1401 commonwealth shall be registered with the United States Trotting Association and the
1402 department of food and agriculture.

1403 Prior to October 1 of each year, each breeder standing a standardbred stallion in the
1404 commonwealth at either private or public service shall file with the department of food and
1405 agriculture a list of all standardbred mares bred to such stallion in that year and a verified
1406 statement representing that the stallion stood the entire breeding season in the commonwealth.

1407 The representative organization may expend up to 8 per cent of the amount received each
1408 fiscal year for the program for advertising, marketing, promotion and administration of the
1409 standardbred breeding program in the commonwealth.

1410 The state auditor shall annually audit the books of the qualified organization to ensure
1411 compliance with this subsection.

1412 SECTION 16. Section 17A of chapter 271 of the General Laws, as so appearing, is
1413 hereby amended by inserting after the word "year", in line 13, the following words:- ; provided,
1414 however, that this section shall not apply to use of telephones or other devices or means to place
1415 wagers authorized under section 10 of chapter 23K ½.

1416 SECTION 17. Section 12A of chapter 494 of the acts of 1978 is hereby repealed.

1417 SECTION 18. Section 13 of said chapter 494 of the acts of 1978 is hereby repealed.

1418 SECTION 19. Section 15 of said chapter 494 of the acts of 1978 is hereby repealed.

1419 SECTION 20. Section 9 of chapter 277 of the acts of 1986 is hereby repealed.

1420 SECTION 21. Sections 3 through 5, inclusive, of chapter 114 of the actions of 1991 are
1421 hereby repealed.

1422 SECTION 22. Section 92 of chapter 2011 of the acts of 2011 is hereby repealed.

1423 SECTION 23. Section 17 of chapter 1 (or chapter x) of the acts of 2020 is hereby
1424 repealed.

1425 SECTION 24. (a) Notwithstanding the live racing takeout structure under subsection (c)
1426 of section 9 of chapter 23K $\frac{1}{4}$ of the General Laws or the simulcast racing takeout structures
1427 under sections 5, 5A and 9 of chapter 23K $\frac{1}{2}$, for not more than 5 years, a new running race
1428 horse meeting licensee conducting a running horse racing meeting shall return to the winning
1429 patrons wagering on the speed or ability of any one running horse in a race or races all sums so
1430 deposited as an award or dividend, according to the acknowledged and recognized rules and
1431 methods under which such pari-mutuel or certificate system has been operated, less the breaks
1432 and less an amount not to exceed 19 per cent of the total amount so deposited by patrons
1433 wagering on the speed or ability of any one running horse; and each such licensee shall return to
1434 the winning patrons wagering on the speed or ability of a combination of more than one horse in
1435 a single pool, also known as an exotic wager, all sums so deposited as an award or dividend,
1436 according to the acknowledged and recognized rules and methods under which such pari-mutuel
1437 or certificate system has been operated, less the breaks and less an amount not to exceed 26 per
1438 cent of the total amount deposited. Such licensee shall:

1439 (1) pay to the board on the day following each day of such running horse racing meeting
1440 a sum equal to 0.75 per cent of the total amount deposited on the preceding day by patrons so

1441 wagering at the meeting, the percentage to be paid from the 19 per cent or 26 per cent withheld,
1442 as provided in this section, from the total amount wagered;

1443 (2) pay to the Massachusetts Thoroughbred Breeders Association, Inc. on the day
1444 following each day of such running horse racing meeting a sum equal to 1 per cent of the total
1445 amount deposited by the patrons, less the breaks, and taken from the 19 per cent withheld and
1446 from the 26 per cent withheld from exotic wagers, the monies to be used for the purposes of
1447 subsection (g) of section 2 of chapter 128;

1448 (3) allocate from the total amount deposited daily by the patrons wagering at the meeting
1449 a sum equal to 8.5 per cent from the 19 per cent withheld and a sum equal to 9.5 per cent from
1450 the 26 per cent withheld from the exotic wagers to be used solely for the payment of purses to
1451 the horse owners in accordance with the rules and established customs of conducting running
1452 horse racing meetings and, with the approval of the appropriate horsemen's association
1453 representing the horse owners racing at that meeting, for payment of administrative and
1454 horseracing operations, and the monies shall be in addition to monies deposited into a separate
1455 purse account as simulcast premiums received pursuant to section 2 of chapter 23K ½;

1456 (4) pay to Tufts University School of Veterinary Medicine on the day following each day
1457 of such running horse racing meeting a sum equal to 0.5 per cent of the total amount deposited
1458 by the patrons, less the breaks, from the 26 per cent withheld from exotic wagers, to be used for
1459 equine research scholarships and loans.

1460 Each such licensee may retain as its commission on the total of all sums so deposited, a
1461 sum not exceeding the balance of the 19 or 26 per cent withheld as provided in this section from

1462 the total amounts wagered less the amounts required to be paid under clauses (1) to (6),
1463 inclusive.

1464 (b) Each such licensee acting as a guest track and simulcasting a live running or harness
1465 horse race from a host track within the commonwealth shall pay daily from such simulcast
1466 wagers a sum equal to 0.125 per cent and the total sum of the breaks into the trust fund of the
1467 most recent live performance at the guest track under the direction and supervision of the state
1468 racing board members.

1469 Each such licensee acting as a guest track shall return to the winning patrons wagering on
1470 such simulcast race all sums so deposited as an award or dividend, according to the
1471 acknowledged and recognized rules and methods under which such pari-mutuel or certificate
1472 system has been operated, less such breaks and less an amount not to exceed 19 per cent of the
1473 total amount so deposited by patrons wagering on the speed or ability of any one running horse,
1474 also known as a straight wager, and, each such licensee shall return to the winning patrons
1475 wagering on the speed or ability of a combination of more than one horse in a single pool, also
1476 known as an exotic wager, all sums so deposited as an award or dividend, less such breaks, and
1477 less an amount not to exceed 26 per cent of the total amount so deposited.

1478 The licensee shall pay to the board on behalf of the commonwealth on the day following
1479 each day of simulcasting, a sum equal to 0.375 per cent; a sum equal to 0.5 per cent to the
1480 breeders association of the most recent live racing performance at the guest track for the
1481 purposes of promoting the respective breeding in the commonwealth under law; a sum equal to 5
1482 per cent to be paid from the 19 per cent withheld and a sum of 6 per cent to be paid from the 26
1483 per cent withheld to the horse owners at the host track for purses in accordance with the rules and

1484 established customs of conducting running horse racing meetings or, with the approval of the
1485 appropriate horsemen's association representing the horse owners racing at that meeting, for
1486 payment of administrative and horseracing operations; said percentage to be paid from the 19 per
1487 cent and the 26 per cent withheld, as provided in this section.

1488 The sum of 4.25 per cent of the straight wagering pool and 7 per cent of the exotic
1489 wagering pool shall be paid to the racing meeting licensee at the host track; 8.75 per cent of the
1490 straight wagering pool and 11.75 per cent of the exotic wagering pool shall be retained by the
1491 licensee at the guest track; provided, however, that not less than 3.5 per cent shall be paid to the
1492 horse owners, of the most recent live racing performance at the guest track, for purses or, with
1493 the approval of the appropriate horsemen's association representing the horse owners racing at
1494 that meeting, for payment of administrative and horseracing operations, said percentages to be
1495 paid from the 19 per cent and 26 per cent withheld as provided in this section.

1496 (c) Each such licensee acting as a guest track and simulcasting a live running or harness
1497 horse race from a host track from outside the commonwealth shall pay daily from such simulcast
1498 wagers the sum of 0.125 per cent and the total sum of the such breaks into the trust fund of the
1499 most recent live performance at the guest track under the direction and supervision of the state
1500 racing board members.

1501 Each licensee shall return to the winning patrons all sums so deposited less the breaks
1502 and less either an amount not to exceed 19 per cent of the straight wagering pool and 26 per cent
1503 of the exotic wagering pool or the amount which would be paid under the laws of the jurisdiction
1504 exercising regulatory authority over the host track; provided, however, that, from the total of the
1505 percentages withheld, the sum of 0.375 per cent shall be paid daily to the board on behalf of the

1506 commonwealth; the sum of 0.5 per cent shall be paid daily to the breeders' association of the
1507 most recent live racing performance at the guest track for the purposes of promoting the
1508 respective breeding of the animals in the commonwealth under law; and the remaining
1509 percentages shall be retained by the licensee as their commission.

1510 (d) Each such licensee acting as a guest track and simulcasting a live greyhound race
1511 from a host track from outside the commonwealth shall return to the winning patrons all sums so
1512 deposited less such breaks and less either an amount not to exceed 19 per cent of the total
1513 amount so deposited or an amount which would be paid under the laws of the jurisdiction
1514 exercising regulatory authority over such host track; provided, however, that a sum equal to
1515 0.375 per cent of the total amount wagered shall be paid daily to the board on behalf of the
1516 commonwealth; and the remaining percentages shall be retained by the racing meeting licensee
1517 as their commission; provided, however, that not less than 3.5 per cent shall be paid to the purses
1518 of the racing meeting licensee acting as a guest track, and the remaining portion shall be applied
1519 to the expenses as the racing meeting licensee is required to pay under contracts negotiated with
1520 the host track.

1521 SECTION 25. (a) Notwithstanding any general or special law to the contrary, the harness
1522 race horse meeting licensee located in Norfolk county licensed to conduct live racing under
1523 chapter 128A and simulcast wagering under chapter 128C in calendar year 2020 shall not be
1524 subject to the provisions of section 5 of chapter 23K $\frac{1}{4}$ except for at any time that said licensee
1525 ceases live racing operations at the licensee's location.

1526 (b) The state racing board shall convert said licensee's live racing license issued under
1527 chapter 128A to a live racing license issued under chapter 23K $\frac{1}{4}$, and shall convert said

1528 licensee’s simulcast wagering license issued under chapter 128C to a simulcast wagering license
1529 issued under chapter 23K ½ for the remaining duration of time as such chapter 128A and 128C
1530 licenses, respectively.

1531 SECTION 26. (a) Notwithstanding any general or special law to the contrary, as of the
1532 effective date of this section, no person shall be required to pay any money into the Running
1533 Horse Capital Improvements Trust Fund and the Running Horse Promotional Trust Fund, each
1534 established pursuant to section 11 of chapter 494 of the acts of 1978, or into the Harness Horse
1535 Capital Improvement Trust Fund and the Harness Horse Promotional Trust Fund, each
1536 established pursuant to section 12 of said chapter 494, or into the Greyhound Capital
1537 Improvements Trust Fund and the Greyhound Promotional Trust Fund, each established pursuant
1538 to section 12A of said chapter 494, all of which funds are referred to in this section as the
1539 “Racing Trust Funds.” Any funds that were previously paid into the Racing Trust Funds and had
1540 not been expended prior to the effective date of this section shall be paid by the state racing
1541 board, without condition or restriction and within 30 days of the effectiveness of this section, to
1542 the Race Horse Development Fund established under section 60 of chapter 23K.

1543 (b) Once all funds in a Racing Trust Fund shall have been so paid, the Racing Trust
1544 Funds shall be dissolved.

1545 SECTION 27. Notwithstanding any general or special law to the contrary, any person
1546 authorized at any point in 2021 prior to the effective date of this Act by any general or special
1547 law to conduct horse racing, simulcasting, or pari-mutuel wagering including advance deposit
1548 wagering under chapter 128A or chapter 128C shall remain authorized until July 31, 2022, to
1549 conduct horse racing, simulcasting, or pari-mutuel wagering on the same terms and conditions in

1550 effect as of July 1, 2019 except for any term or condition that terminates such authorization prior
1551 to July 31, 2022.

1552 SECTION 28. Notwithstanding section 2 of chapter 23K $\frac{1}{4}$ of the General Laws and
1553 sections 1, 2 and 7 of chapter 23K $\frac{1}{2}$ of the General Laws or any other general or special law,
1554 rule or regulation to the contrary, the greyhound meeting licensee located in Bristol county and
1555 the greyhound meeting licensee located in Suffolk county licensed to conduct live racing under
1556 chapter 128A and simulcast wagering under chapter 128C in calendar year 2009, may be
1557 authorized by the state racing board to conduct simulcast wagering under said chapter 23K $\frac{1}{2}$
1558 until July 31, 2022; provided, however, that the days between January 1 and December 31 of
1559 each year shall be dark days under said chapter 23K $\frac{1}{2}$ and the licensees shall continue to be
1560 precluded from conducting live racing during that period and as provided in chapter 388 of the
1561 acts of 2008; provided further, that simulcasts shall be subject to section 7 of chapter 23K;
1562 provided further, that all simulcasts shall comply with the Interstate Horse Racing Act of 1978,
1563 15 U.S.C. Sec. 3001 et seq. or other applicable federal law; provided further, that all simulcasts
1564 from states which have racing associations that do not require approval in compliance with the
1565 Interstate Horse Racing Act of 1978, 15 U.S.C. Sec. 3004 (a) (1) (A), except simulcasts during
1566 the month of August, shall require the approval of the New England Horsemen's Benevolent &
1567 Protective Association, or other entity deemed appropriate by the board, prior to being simulcast
1568 to a racing meeting licensee within the commonwealth; and provided further, that if the
1569 association agrees to approve the simulcast for 1 racing meeting licensee, it shall approve the
1570 simulcast for all otherwise eligible racing meeting licensees.

1571 SECTION 29. Section 14 is hereby repealed.

1572 SECTION 30. Section 29 shall take effect 6 years after the issuance of a new running
1573 race horse license by the state racing board.

1574 SECTION 31. Notwithstanding any general or special law or rule or regulation to the
1575 contrary, any general and special laws outside of this Act, licenses, authorizations or approvals
1576 relative to horse or dog racing, simulcasting or wagering thereof in effect on or before July 31,
1577 2022 are hereby repealed after affirmative review by the state racing board.

1578 SECTION 32. This act shall take effect on August 1, 2022.