	(dr req 20-0152 – draft 1.1) Page 1 of 20 8/16/2019 - BAW - 01:28 PM
1	Introduced by
2	Referred to Committee on
3	Date:
4	Subject: Executive; boards and commissions; Vermont Racing Commission;
5	repeal
6	Statement of purpose of bill as introduced: This bill proposes to repeal the
7	Racing Commission and transfer its duties to the Agency of Agriculture, Food
8	and Markets.
9	An act relating to repealing the Racing Commission
10	It is hereby enacted by the General Assembly of the State of Vermont:
11	Sec. 1. 31 V.S.A. chapter 13 is amended to read:
12	CHAPTER 13. HORSE RACING
13	§ 601. CONSTRUCTION AND PURPOSE
14	This chapter is based upon the taxing power and the police power of the
15	State and provides for the establishment, licensing, regulation, and control of
16	the pari-mutuel system of wagering on horse races, and is for the protection of
17	the public welfare and good order of the people of the State, the support and
18	encouragement of agricultural fairs, and the improvement of the breeding of

horses in Vermont.

Page 1 of 20

representative employee,; or counsel

1	§ 602. RACING COMMISSION AGENCY OF AGRICULTURE, FOOD
2	AND MARKETS; REGULATION OF HORSE RACING
3	(a) There is hereby created a Racing Commission consisting of three
4	persons. Upon passage of this chapter, the Governor shall appoint, with the
5	advice and consent of the Senate, three members of the Commission, not more
6	than two members of which shall belong to the same political party, and one
7	member to be an official of an agricultural fair, one to hold office until
8	February 1, 1961, one to hold office until February 1, 1963, and one to hold
9	office until February 1, 1965 The Agency of Agriculture, Food and Markets
10	shall regulate horse racing as set forth in this chapter.
11	(b) The Governor shall biennially, with the advice and consent of the
12	Senate, appoint a person as a member of the Commission for the term of six
13	years, commencing February 1 of the year in which the appointment is made.
14	The Governor biennially shall designate a member of the Commission to be its
15	<del>chair.</del>
16	(c) Each member of the Commission shall receive \$15.00 a day and
17	expenses for time actually spent in the performance of the duties of his or her
18	office. No member of the Commission An Agency employee shall not:
19	(1) have any pecuniary interest in any racing or in the sale of pari-
20	mutuel pools, nor shall any official employees, secretary, deputy, officer,

Page 2 of 20

(dr req	20-01	52 –	draf	t 1.1	)
8/16/20	119 - 1	RAW	- 01	.28	PM

Page 3 of 20

1	(2) participate in any pari-mutuel pool.
2	§ 603. ASSISTANTS AND EMPLOYEES, DUTIES PROHIBITION ON
3	LEGISLATORS IN AGENCY EMPLOY
4	The Commission may employ such assistants and employees as it may
5	consider necessary to carry out the provisions of this chapter, fix their
6	compensation, and specify the duties to be performed by them. However, the
7	Commission The Agency shall not appoint to any position under its
8	jurisdiction employ any member of the General Assembly, to perform duties
9	under this chapter while the General Assembly is in session.
10	§ 604. SEMIANNUAL MEETINGS
11	The Racing Commission shall hold semiannual meetings upon 15 days'
12	notice in two newspapers which combined have a general circulation
13	throughout the State. The Commission may hold other meetings at such times
14	and places as it determines upon reasonable public notice. All meetings shall
15	be open to the public as provided in 1 V.S.A. sections 311 314. [Repealed.]
16	§ 605. RULES <del>AND REGULATIONS</del>
17	The Commission Agency shall make adopt rules for the holding,
18	conducting, operating, and simulcasting of all running or harness horse or
19	harness pony races or meets at which pari-mutuel pools are sold pursuant to the
20	provisions of this chapter, and shall cause to be fingerprinted, under the
21	direction of the Department of Public Safety, any and all persons working at or

(dr req 20-0152 – draft 1.1)
8/16/2019 - BAW - 01:28 PM

Page 4 of 20

1	in connection with the operation of such the horse races, or meets, inc	cluding	
2	grooms, jockeys, and drivers.		
3	§ 605a. LICENSES; REGISTRATIONS		
4	(a) The following applicable licenses and registrations shall be rec	quired by	
5	5 the Commission Agency from all persons participating in racing on the		
6	grounds of an association-:		
7	(1) Owner, Harness	\$ 10.00	
8	(2) Trainer-Driver, Harness	10.00	
9	(3) Owner and Colors, Thoroughbred	6.00	
10	(4) Colors (Annual)	1.00	
11	(5) Colors (Life)	25.00	
12	(6) Trainer, Thoroughbred	5.00	
13	(7) Authorized Agent	5.00	
14	(8) Trainer, Substitute	No Fee	
15	(9) Partnership, Thoroughbred	5.00	
16	(10) Stable Name	10.00	
17	(11) Jockey	5.00	
18	(12) Jockey Agent (Each Jockey)	5.00	
19	(13) Jockey, Apprentice	5.00	
20	(14) Jockey, Apprentice Contract	No Fee	
21	(15) Stable Employees	5.00	

8/16/2019 - BAW - 01:28 PM	
(16) Valet, Blacksmith, Outrider, Vendor, Supplie	r, Track Services 10.00
(17) Veterinarian	10.00
(18) Officials - Association (Administrative, Super	rvisory, and
Security); Concessionaire, Racing; Specialized	

(dr req 20-0152 - draft 1.1)

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Services and Staff 10.00

(19) Employees, Pari-Mutuel 5.00

> (20) Employees, Association - Concession 5.00

(21) Substitute License Fee as indicated

(22) Duplicate License 2.00

(b)(1) The fee shall be paid at the time of filing of the application.

- (2) No An application for an occupational license shall not be accepted unless accompanied by such the necessary fee.
- 13 (3) An amateur is required to take out a certificate.

## § 606. HEARINGS 14

(a) The Commission Agency may conduct hearings at which all matters pertaining to the administration of the affairs of the Commission this chapter and all activities conducted under its jurisdiction it may be investigated and determined. By its chair, it The Agency may issue subpoenas for the attendance of witnesses at its hearings. Any member of the Commission Employees appointed by the Secretary of the Agency may administer oaths and affirmations and may examine witnesses.

Page 5 of 20

(dr req	20-0152 – draft 1.1)
8/16/20	119 - BAW - 01·28 PM

Page 6 of 20

1	(b) A person who disobeys a subpoena of the Commission Agency, gives
2	false testimony to the Agency, or presents false evidence to the Commission
3	Agency shall be penalized according to law.
4	(c) The Commission Agency may investigate as to the ownership and
5	control, direct or indirect, of any licensee. Any expense incurred by the
6	Commission Agency in so investigating shall be at the expense of the licensee
7	or applicant for a license.
8	§ 607. LICENSES REQUIRED; SUNDAY RACING
9	(a) No $\underline{A}$ person, association, or corporation shall $\underline{not}$ conduct, hold, or
10	operate any running or harness race or meet at which pari-mutuel pools are
11	sold without license from the Commission Agency.
12	(b)(1) No A pari-mutuel running or harness race shall not be held on
13	Sunday between the hours of 12:00 midnight and 1:00 p.m.
14	(2) The Commission Agency shall not issue a license for holding a race
15	meet on Sunday in any town until unless the town has approved the issuance of
16	said license by majority vote of those present and voting at a duly warned
17	annual or special town meeting.
18	§ 608. FAIR ASSOCIATIONS AND CORPORATIONS; APPLICATION;
19	BOND
20	(a) Fair associations or corporations that now conduct annual agricultural
21	fairs in Vermont, or Vermont corporations that wish to conduct extended race

**Commented [BW1]:** Not standard for State agencies and departments. Perhaps revise to say that the Agency may inspect, and if necessary as determined by the Agency, may charge a reinspection fee?

**Commented [BW2]:** Q for CoJs on whether to repeal or amend this prohibition on Sunday morning racing.

(dr req	20-0152 – draft 1.1)
8/16/20	19 - BAW - 01·28 PM

Page 7 of 20

1	meetings, with a percentage designated for the benefit of the Racing Special
2	Fund established pursuant to section 630 of this title chapter, shall be eligible
3	to apply for a license.
4	(b) An eligible association or corporation desiring to hold a running or
5	harness horse race or meet for public exhibition at which pari-mutuel pools are
6	to be sold, shall apply to the Commission Agency to do so.
7	(c) Every fair association or corporation conducting horse racing or meets
8	at which pari-mutuel pools are to be sold under license from the Commission
9	Agency shall give a bond in a sum not to exceed \$75,000.00 as shall be
10	determined by the Commission Agency, with good and sufficient surety or
11	sureties, conditioned upon the faithful performance of its duties and obligations
12	to the State of Vermont as prescribed by this chapter.
13	§ 609. FORMS; FEES
14	(a) Applications for licenses shall be filed upon forms prescribed by the
15	Commission Agency and shall be accompanied by the required license fee.
16	(b) The fee for such the license shall be \$20.00 for each period of six days
17	or fraction thereof.
18	(c) The application shall be signed and sworn to by the person or the
19	executive officer of the association or corporation and shall contain the
20	following information:

(1) The full name and address of the person, association, or corporation.

**Commented [BW3]:** This amount dates back to 1959 (inflation-adjusted amount would be approx. \$660,000).

Q for CoJs on whether amount and/or bond requirement should be amended.

1	(2) If an association, the names and residences of the members of the
2	association.
3	(3) If a corporation, the name of the state under which it is incorporated
4	with its principal place of business and the names and addresses of its directors
5	and stockholders.
6	(4) The exact location where it is desired to conduct or hold races or
7	race meets.
8	(5) Whether or not the racing plant is owned or leased, and if leased, the
9	name and residence of the fee owner, or if a corporation, of $\frac{1}{1}$ directors
10	and stockholders <del>thereof</del> .
11	(6) A statement of the assets and liabilities of the person, association, or
12	corporation making the application.
13	(7) Such Any other information as the Commission Agency may require
14	but not limited in character or detail by subdivisions (1) through (6) of this
15	section subsection.
16	§ 610. ISSUANCE, CONTENTS; REVOCATION
17	(a)(1) If the Commission Agency is satisfied that all the provisions of this
18	chapter and the rules prescribed have been and will be complied with by the

applicant, it may issue a license that shall expire on December 31.

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Page 9 of 20

1	(2) The license shall set forth the name of the licensee, the place where
2	the races or race meets are to be held, and the time and number of days during
3	which racing may be conducted by the licensee. It
4	(3) A license shall not be transferable or assignable.
5	(b)(1) The Commission Agency may revoke any license for good cause
6	after reasonable notice and hearing.
7	(2) The license of any corporation shall automatically cease upon the
8	change in ownership, legal or equitable, of 50 percent or more of the voting
9	stock of the corporation, and the corporation shall not hold a running or
10	harness horse race or meet for a public exhibition without a new license.
11	(c)(1) The Commission Agency may at any time for cause require the
12	removal of any employee or official employed by a licensee.
13	(2) Failure to remove an employee or official when so required shall
14	constitute cause for revoking the license of the employer.
15	§ 611. PERMITTED USE OF CERTAIN PHARMACEUTICALS
16	Under rules adopted by the Commission Agency under section 605 of this
17	title chapter, the diuretic drug "lasix" and the anti-inflammatory drug
18	"butazolidine" may be administered to horses competing in horse racing
19	authorized and regulated under this chapter.

(dr req 20-0152 – draft 1.1)
8/16/2019 - BAW - 01:28 PM

Page 10 of 20

1	§ 612. AUDITS <u>OF TRACKS</u>
2	The Commission Agency shall procure an audit report of the activities of
3	each track for every calendar year by the 1st day of February following,
4	prepared by a firm of certified public accountants which that is not employed
5	by the licensee.
6	§ 613. MINORS
7	No $\underline{A}$ minor, whether attending a race or employed on or about the fair
8	grounds or track, shall <u>not</u> be permitted to participate in any pari-mutuel pools
9	or be admitted to any pari-mutuel enclosure.
10	§ 614. PENALTY PENALTIES; PARI-MUTUEL DOG RACING
11	<u>PROHIBITED</u>
12	(a)(1) Any person, association, or corporation holding, conducting, or
13	simulcasting a pari-mutuel horse race or aiding or abetting same, without a
14	license from the Commission Agency, shall be fined not more than \$1,000.00
15	or imprisoned not more than one year, or both.
16	(2) Any person, association, or corporation violating any rules or
17	regulations of the Commission Agency shall be fined not more than \$500.00 or
18	imprisoned not more than six months, or both.
19	(b)(1) No $\underline{A}$ person shall $\underline{not}$ hold, conduct, operate, or simulcast a pari-
20	mutuel dog race for public exhibition.

1	(2) Any person violating this subsection shall be fined not more than
2	\$1,000.00 or imprisoned not more than one year, or both.
3	§ 615. PARI-MUTUEL POOLS
4	(a)(1) Within the enclosure of any race track where is held a race or race
5	meet licensed and conducted under this chapter, and within the enclosure of
6	any place wherein a licensee licensed under this chapter to hold and conduct
7	races or race meets is authorized by the Commission Agency to simulcast race
8	or race meets, but not elsewhere, the sale of pari-mutuel pools by the licensee
9	is permitted and authorized under such regulations as may be prescribed the
10	rules adopted by the Commission Agency.
11	(2)(A) Commissions on the flat racing pool shall not exceed 18 percent
12	of each dollar wagered except commissions on the flat racing pool from racing
13	conducted on Sundays shall not exceed 19 percent of each dollar wagered.
14	(B)(i) Except for State agricultural fair associations, commissions on
15	the harness racing pools shall not exceed 19 percent of each dollar wagered
16	except commissions on the harness racing pools from racing conducted on
17	Sundays shall not exceed 20 percent of each dollar wagered and commissions
18	on each harness racing trifecta pool shall not exceed 25 percent.
19	(ii) For State agricultural fair associations, commissions on the

harness racing pools shall not exceed 20 percent of each dollar wagered on

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Page 12 of 20

1	win, place, and show wagering and commissions on all other forms of
2	wagering shall not exceed 25 percent.
3	(C) Commissions on the simulcast racing pools shall not exceed 20
4	percent of each dollar wagered on win, place, and show wagering and shall not
5	exceed 25 percent of each dollar wagered on all other forms of wagering from
6	racing or simulcasting conducted on all days.
7	(b) The odd cents of all redistribution to be based on each dollar wagered
8	exceeding a sum equal to the next lowest multiple of 10, known as "breakage,"
9	shall be paid from all flat, harness, and simulcast racing to the licensee.
10	(c) From the pari-mutuel pool, the Racing Commission established
11	pursuant to section 602 of this title Agency shall receive the applicable
12	percentage as set forth in this subsection and the licensee shall retain the
13	balance of the pari-mutuel pool commission:
14	(1) From harness racing, on the total wagered each race day conducted
15	Monday through Saturday:
16	3% on the first \$150,000.00 plus
17	4% on the amount \$150,000.00-\$200,000.00 plus
18	5% on the amount \$200,000.00-\$250,000.00 plus
19	6% on the amount \$250,000.00-\$300,000.00 plus
20	7% on the amount \$300,000.00-\$350,000.00 plus

8% on all over \$350,000.00

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**Commented [BW4]:** Q for CoJs: Do amounts work as is, or should 4% be "\$150,000.01", etc.?

Same question in subdivs. (2) and (3).

1	(2)(A) From flat racing, five and one-half percent on the total wagered
2	each race day conducted Monday through Saturday.
3	(B) From simulcast racing, on the total wagered each race day:
4	2% on the first \$50,000.00 plus
5	2.5% on the amount \$50,000.00-\$100,000.00 plus
6	3% on the amount \$100,000.00-\$150,000.00 plus
7	4% on the amount \$150,000.00-\$200,000.00 plus
8	5% on the amount \$200,000.00-\$250,000.00 plus
9	6% on the amount \$250,000.00-\$300,000.00 plus
10	7% on the amount \$300,000.00-\$350,000.00 plus
11	8% on all over \$350,000.00
12	(3) From harness racing, on the total wagered each race day conducted
13	on Sunday:
14	4% on the first \$150,000.00 plus
15	5% on the amount \$150,000.00-\$200,000.00 plus
16	6% on the amount \$200,000.00-\$250,000.00 plus
17	7% on the amount \$250,000.00-\$300,000.00 plus
18	8% on the amount over \$300,000.00
19	(4)(A) From flat racing, six and one-half percent on the total wagered
20	each race day conducted on Sunday.

(dr req	20-01	52 –	draf	t 1.1	)
8/16/20	119 - 1	RAW	- 01	.28	PM

Page 14 of 20

(B) From simulcast racing, in addition to the percentages of the total
wagered as provided above in subdivision (A) of this subdivision (4), five
percent on the total wagered on all days on all forms of wagering other than
win, place, and show wagering: on and after May 30, 1986.
(5)(A) During any calendar year, the number of programs which that the
licensee is licensed by the Commission Agency to conduct shall determine the
amount of the payments to be made under this section to the Racing
Commission established pursuant to section 602 of this title Agency.
(B) If, in any year, the licensee fails to conduct the full number of
licensed programs, any payment shortage shall be reimbursed immediately as
due.
(C) The Commission Agency has the duty and authority to make
prompt orders, as necessary, to assure ensure reimbursement.
(6) The funds received by the Racing Commission Agency shall be
managed pursuant to section 630 of this title chapter and shall be available to
the Racing Commission to offset the costs of providing its services.
(d) [Repealed.]
§ 616. PAYMENT
Payment under section 615 of this title chapter shall be made to the
Commission Agency not later than seven days after each race and shall be

accompanied by a report under oath showing the total of all the contributions

**Commented [BW5]:** This was 5% in 1986, and that percentage remained unchanged until it was apparently inadvertently deleted in the act that banned greyhound racing (1995, No. 12, Sec. 8).

**Commented [BW6]:** Deleting language that duplicates § 630.

1	to pari-mutuel pools covered by the report and such any other information as
2	the Commission Agency may require.
3	§ 617. REPEALED.
4	§ 618. UNCLAIMED TICKET MONEY; <u>DUTIES OF STATE TREASURER</u>
5	(a) On or before the first Monday in December of each year every person,
6	association, or corporation conducting or simulcasting a race or race meet
7	hereunder under this chapter shall pay to the State Treasurer all monies
8	collected during the year for pari-mutuel tickets which that have not been
9	redeemed.
10	(b) The State Treasurer shall retain the monies shall be retained by the
11	State Treasurer and he or she shall pay the amount due on any ticket to the
12	holder thereof upon an order from the Commission Agency. After the
13	expiration of two years, any such monies still in the custody of the State
14	Treasurer shall become a part of the Racing Special Fund of the State.
15	§ 619. PARI-MUTUEL EMPLOYEES
16	All pari-mutuel concessions shall employ at least 85 percent Vermont
17	residents unless special permission is granted by the Commission Agency, but
18	in no event shall they employ persons who at the time of employment are duly
19	elected members of the Vermont General Assembly.

§ 620. POLICE PROTECTION
(a)(1) Every licensee shall maintain adequate police protection as may be
determined by or as may be assigned to the licensee from the Vermont State
Police by the Commissioner of Public Safety of the State of Vermont, within
the grounds or pari-mutuel enclosure and public highways adjacent to the
location of such the track.
(2) Expenses for such the designated police protection shall be borne by
the licensee.
(b) The Department of Public Safety shall have authority to expend its own
funds for the purpose of paying Vermont State Police to maintain the aforesaid
that adequate police protection, but any funds expended by the Department of
Public Safety for the assignment and use of Vermont State Police to maintain
adequate police protection for that purpose shall be reimbursed to the
Department by the licensee.
(c) Charges collected under this section shall be credited to a special fund
and shall be available to the Department of Public Safety to offset the cost of
providing the services.
§ 621. BREEDING OF HORSES; AGENCY AUTHORITY
The Commission Agency shall encourage and promote the improvement of
the breeding of horses in Vermont. It may accept donations of thoroughbred,

standard-bred, or other well-bred stallions by licensees or others to the State

1	for this purpose. It, and may cooperate with the University of Vermont in
2	furthering this program.
3	§ 621a. REPEALED.
4	§ 622. TOWN VOTE; APPROVAL, REVOCATION
5	(a) A license shall not be issued by the Commission Agency under this
6	chapter for holding a race meet in any town until the town, at an annual or
7	special meeting called for the purpose, has, by majority vote of those present
8	and voting, approved the issuance of licenses under this chapter in the town.
9	(b) Upon petition by 25 percent of the voters of a town in which racing is
10	or may be conducted under license of the Commission Agency, alleging cause
11	for suspension of a license, the Commission Agency may suspend the license
12	for the holding of races or meets pending hearing on the petition. If upon
13	hearing it finds cause exists, it shall suspend the license for a period not to
14	exceed one year.
15	§ 623. RACING DATES
16	The Racing Commission Agency shall be responsible for all racing dates
17	but shall not assign dates for race meets at which pari mutuel wagering is
18	conducted at the same time as an agricultural fair at which horse racing was
19	conducted during at least three years of the last 10 years immediately before
20	the passage of No. 259 of the Acts of 1959 if the agricultural fair is located

within 50 miles of the race track at which pari mutuel racing is to be

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1	conducted, unless the Commission finds there is no conflict between that race
2	track and the agricultural fair.
3	§ 624. RACE OFFICIALS
4	There shall be at least one representative and such other assistants or
5	employees employee of the Commission Agency, as the Commission Agency
6	shall determine, present to supervise each running or harness horse race or
7	meet conducted under this chapter.
8	§ 625. DEVICES REQUIRED
9	Every licensee conducting horse racing under this chapter shall use for each
10	race such devices as the Commission may designate to be used to determine
11	Agency has designated for use in determining the respective positions of the
12	first three contestants finishing.
13	§ 626. OPERATING FEES <u>PAID TO TOWN</u>
14	(a) A licensee for pari-mutuel racing other than an agricultural fair shall
15	pay a fee of \$200.00 for each day of racing or simulcasting; an agricultural fair

shall pay \$20.00 for each day of pari-mutuel racing.

which the race or simulcast was held.

(b) The fee shall be paid by the licensee to the town treasurer of the town

where the race or simulcast is conducted within seven days after the date on

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(dr req 20-0152 – draft 1.1) 8/16/2019 - BAW - 01:28 PM

**Commented [BW7]:** Last amended in 1961, this statute appears to be an outdated reference to a transition from horse racing prior to the enactment of this chapter.

Page 18 of 20

1	§ 627. DEFICITS; ASSESSMENTS
2	(a) Annually as of June 30, if, after comparing all Agency racing
3	Commission expenditures to the total of fees paid to the Commission Agency
4	under sections 615 and 618 of this title chapter, there remains a deficit, then
5	the Commission Agency shall, on or before August 14 next, assess all
6	licensees under section 610 of this title chapter, except agricultural fair
7	licensees, an amount sufficient to cover the deficiency. These assessments
8	shall be on an equitable and practicable basis adopted by the Commission
9	Agency by rule.
10	(b) If any such licensee shall fail fails to remit payment for the expense
11	apportionment billed by the Commission Agency, its license may be revoked
12	or suspended for a period of not less than one year.
13	(c) In addition to the authority granted in subsection (b) of this section, the
14	Commission Agency shall have the same authority to collect assessments
15	levied under this section as granted to the Commissioner of Taxes to enforce
16	and collect the tax on income under 32 V.S.A. chapter 151.
17	§ 628. REPEALED.
18	§ 629. REPEALED.
19	§ 630. DISPOSITION OF REVENUES
20	All fees, fines, unredeemed ticket funds, and other revenues collected under
21	sections 601 through 627 of this title, except section 620, paid to the Agency

(dr req 20-0152 – draft 1.1)
8/16/2019 - BAW - 01:28 PM

Page 20 of 20  $\,$ 

under this chapter shall be credited to the Vermont Racing Special Fund, 1 2 established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and 3 shall be available to the Racing Commission Agency to offset the cost of 4 providing its services under this chapter. 5 Sec. 2. TRANSITIONAL PROVISION; TRANSFER OF RULES 6 On the effective date of this act, the rules of the Racing Commission shall 7 constitute the rules of the Agency of Agriculture, Food and Markets for the 8 regulation of horse racing. 9 Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2020.

**Commented [BW8]:** Meant to be non-substantive cleanup. Please review.