

SENATE BILL NO. 359

INTRODUCED BY COCCHIARELLA, GEBHARDT, OLSON, SQUIRES, J. TROPILA, SHOCKLEY

A BILL FOR AN ACT ENTITLED: "AN ACT TRANSFERRING THE BOARD OF HORSERACING FROM THE DEPARTMENT OF LIVESTOCK TO THE DEPARTMENT OF AGRICULTURE; DECREASING MEMBERSHIP OF THE BOARD FROM SEVEN MEMBERS TO FIVE MEMBERS; REVISING THE MAKEUP OF THE BOARD; REQUIRING THE BOARD TO ACTIVELY PROMOTE AND DEVELOP PLANS FOR VARIOUS ASPECTS OF THE HORSERACING INDUSTRY; AND AMENDING SECTIONS 2-15-3106, 23-4-101, AND 23-4-105, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-15-3106, MCA, is amended to read:

"2-15-3106. Board of horseracing. (1) There is a board of horseracing.

(2) (a) The board consists of ~~seven~~ five members, appointed by the governor with the consent of the senate, who must be citizens, residents, and qualified electors of this state.

(b) (i) ~~Two~~ One board ~~members~~ member must be in the horseracing breeding industry ~~and may not represent the same district as described in subsection (3). The other five members may not be in the horseracing industry.~~

(ii) One board member must be a representative of persons involved in horseracing track management.

(iii) The other three members may not be in the horseracing industry.

(c) A member of the board may not wager at any licensed racing meet in this state.

(3) Except for members appointed pursuant to subsection (2)(b)(i) and (2)(b)(ii), the governor may not appoint any member who would have a conflict of interest during the member's term of appointment.

(4) (a) The governor shall appoint, on the basis of experience and qualifications; ~~one member from each of the following districts:~~

(i) one member from district one or two;

(ii) one member from district three or four; and

(iii) one member from district five.

(b) The districts referred to in subsection (4)(a) are as follows:

~~(a)(i)~~ (i) the first district, consisting of Blaine, Carter, Custer, Daniels, Dawson, Fallon, Garfield, McCone, Phillips, Powder River, Prairie, Richland, Rosebud, Roosevelt, Sheridan, Treasure, Valley, and Wibaux Counties;

~~(b)~~(ii) the second district, consisting of Big Horn, Carbon, Fergus, Golden Valley, Judith Basin, Musselshell, Petroleum, Sweet Grass, Stillwater, Wheatland, and Yellowstone Counties;

~~(c)~~(iii) the third district, consisting of Cascade, Chouteau, Glacier, Hill, Liberty, Pondera, Teton, and Toole Counties;

~~(d)~~(iv) the fourth district, consisting of Beaverhead, Broadwater, Deer Lodge, Gallatin, Jefferson, Lewis and Clark, Madison, Meagher, Park, and Silver Bow Counties; and

~~(e)~~(v) the fifth district, consisting of Flathead, Granite, Lake, Lincoln, Missoula, Mineral, Powell, Ravalli, and Sanders Counties.

~~(4)~~(5) Each member shall serve for a term of 3 years. The terms of the members must be staggered. A member may be removed from office by the governor only for cause.

~~(5)~~(6) A board member may be reappointed by the governor. A vacancy on the board must be filled for the unexpired term by appointment by the governor, with the consent of the senate, as provided in this section.

~~(6)~~(7) The board is allocated to the department for administrative purposes only as prescribed in 2-15-121."

Section 2. Section 23-4-101, MCA, is amended to read:

"23-4-101. Definitions. Unless the context requires otherwise, in this chapter, the following definitions apply:

- (1) "Board" means the board of horseracing provided for in 2-15-3106.
- (2) "Board of stewards" means a board composed of three stewards who supervise race meets.
- (3) "Department" means the department of ~~livestock~~ agriculture provided for in Title 2, chapter 15, part ~~34~~ 30.

(4) "Immediate family" means the spouse, parents, children, grandchildren, brothers, or sisters of an official or licensee regulated by this chapter who have a permanent or continuous residence in the household of the official or licensee and all other persons who have a permanent or continuous residence in the household of the official or licensee.

(5) "Minor" means a person under 18 years of age.

(6) "Persons" means individuals, firms, corporations, fair boards, and associations.

(7) (a) "Race meet" means racing of registered horses or mules at which the parimutuel system of wagering is used. The term includes horseraces, mule races, and greyhound races that are simulcast.

(b) The term does not include live greyhound racing.

(8) "Racing" means live racing of registered horses or mules and simulcast racing of horses, mules, and greyhounds.

(9) "Simulcast" means a live broadcast of an actual horserace, mule race, or greyhound race at the time it is run. The term includes races of local or national prominence.

(10) "Simulcast facility" means a facility at which horseraces, mule races, or greyhound races are simulcast and wagering on the outcome is permitted under the parimutuel system.

(11) "Steward" means an official hired by the department and by persons sponsoring a race meet to regulate and control the day-to-day conduct and operation of a sanctioned meet."

Section 3. Section 23-4-105, MCA, is amended to read:

"23-4-105. (Temporary) Authority of board. The board shall license and regulate racing and review race meets held in this state under this chapter. All percentages withheld from amounts wagered must be deposited in the board's agency fund account. The board shall then distribute all funds collected under 23-4-202(4)(d), 23-4-204(3), and 23-4-302(3) to live race purses or for other purposes for the good of the existing horseracing industry. If the board decides to authorize new forms of racing, including new forms of simulcast racing, not currently engaged in Montana, the board shall do so after holding public hearings to determine the effects of these forms of racing on the existing saddle racing program in Montana. The board shall consider both the economic and safety impacts on the existing racing and breeding industry.

23-4-105. (Effective July 1, 2007) Authority of board. (1) The board shall license and regulate racing and review race meets held in this state under this chapter. All percentages withheld from amounts wagered must be deposited in a state special revenue account and are statutorily appropriated to the board as provided in 17-7-502. The board shall then distribute all funds collected under 23-4-202(4)(d), 23-4-204(3), and 23-4-302(3) to live race purses or for other purposes for the good of the existing horseracing industry.

(2) If the board decides to authorize new forms of racing, including new forms of simulcast racing, not currently authorized in Montana the board shall do so after holding public hearings to determine the effects of these forms of racing on the existing saddle racing program in Montana. The board shall consider both the economic and safety impacts on the existing racing and breeding industry.

(3) The board shall:

(A) in collaboration with local racetracks, actively promote, WITHIN AVAILABLE RESOURCES:

~~(a)~~(i) the breeding AND HORSERACING industry;

~~(b)~~(ii) the development of high-quality racetracks; and

~~(e)(III) enhancing the image and heightening the profile of the horseracing industry;~~

~~(B) DEVELOP AND IMPLEMENT A PLAN OF COOPERATION WITH OTHER ENTITIES INTERESTED IN HORSERACING, INCLUDING BUT NOT LIMITED TO INDIAN TRIBES, NEIGHBORING STATES, NEIGHBORING CANADIAN PROVINCES, AND CANADA;~~

~~AND~~

~~(C) DEVELOP A PLAN TO ADDRESS ISSUES AFFECTING THE HORSERACING INDUSTRY, INCLUDING BUT NOT LIMITED TO THE COST OF LIABILITY INSURANCE, WORKERS' COMPENSATION COVERAGE, ENHANCED PURSES, AND THE CONDITION AND SAFETY OF RACE TRACKS."~~

NEW SECTION. **Section 4. Directions to code commissioner.** Section 2-15-3106 is intended to be renumbered and codified as an integral part of Title 2, chapter 15, part 30.

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