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Pari-mutuel Horse Racing

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David P. Hinkins

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| 3 | LONG TITLE |
| 4 | General Description: |
| 5 | This bill creates the Pari-mutuel Horse Racing Commission and allows for pari-mutuel |
| 6 | horse racing and wagering. |
| 7 | Highlighted Provisions: |
| 8 | This bill: |
| 9 | defines terms; |
| 10 | creates the Pari-mutuel Horse Racing Commission (commission); |
| 11 | provides for the commission's membership, authority, and duties; |
| 12 | requires the state auditor to audit the commission's accounting; |
| 13 | allows the commission to issue licenses and permits for pari-mutuel events; |
| 14 | allows the commission to enforce fines and penalties for permit and license violations; |
| 15 | requires voters to approve pari-mutuel horse racing and wagering within a county before |
| 16 | the commission issues permits in the county; |
| 17 | requires a permittee other than a political subdivision to post a bond or other financial |
| 18 | assurance; |
| 19 | provides for simulcasting and advance deposit pari-mutuel wagering; |
| 20 | provides for takeouts of certain percentages from the winning wagers for certain purposes; |
| 21 | prohibits bribery, touting, and wagering involving minors; |
| 22 | requires the identification of horses; |
| 23 | prohibits certain treatment of animals in relation to pari-mutuel events; and |
| 24 | creates restricted accounts. |
| 25 | Money Appropriated in this Bill: |
| 26 | None |
| 27 | Other Special Clauses: |
| 28 | None |
| 29 | Utah Code Sections Affected: |
| 30 | ENACTS: |
| 31 | 63C-32-101, Utah Code Annotated 1953 |

| 32 | 63C-32-201, Utah Code Annotated 1953 |
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| 33 | 63C-32-202, Utah Code Annotated 1953 |
| 34 | 63C-32-203, Utah Code Annotated 1953 |
| 35 | 63C-32-204, Utah Code Annotated 1953 |
| 36 | 63C-32-301, Utah Code Annotated 1953 |
| 37 | 63C-32-302, Utah Code Annotated 1953 |
| 38 | 63C-32-303, Utah Code Annotated 1953 |
| 39 | 63C-32-304, Utah Code Annotated 1953 |
| 40 | 63C-32-401, Utah Code Annotated 1953 |
| 41 | 63C-32-402, Utah Code Annotated 1953 |
| 42 | 63C-32-403, Utah Code Annotated 1953 |
| 43 | 63C-32-404, Utah Code Annotated 1953 |
| 44 | 63C-32-405, Utah Code Annotated 1953 |
| 45 | 63C-32-501, Utah Code Annotated 1953 |
| 46 | 63C-32-502, Utah Code Annotated 1953 |
| 47 | 63C-32-503, Utah Code Annotated 1953 |
| 48 | 63C-32-504, Utah Code Annotated 1953 |
| 49 | 63C-32-505, Utah Code Annotated 1953 |
| 50 | 63C-32-601, Utah Code Annotated 1953 |
| 51 | 63C-32-602 , Utah Code Annotated 1953 |
| 52 | |
| 53 | Be it enacted by the Legislature of the state of Utah: |
| 54 | Section 1. Section 63C-32-101 is enacted to read: |
| 55 | CHAPTER 32. PARI-MUTUEL HORSE RACING COMMISSION |
| 56 | Part 1. General Provisions |
| 57 | 63C-32-101 . Chapter definitions. |
| 58 | As used in this chapter: |
| 59 | (1) "Advance deposit pari-mutuel wager" means a wager on the outcome of a pari-mutuel |
| 60 | event by an individual who has opened an account in advance with a permittee. |
| 61 | (2) "Breakage" means the amount a permittee retains after rounding down a pari-mutuel |
| 62 | payout to the nearest increment of 10 cents. |
| 63 | (3) "Breeder award" means money that the commission collects and distributes to promote |
| 64 | the improved breeding and development of the horse racing industry. |

| 65 | (4) "Breeder Award Account" means the restricted account created in Section 63C-32-602. |
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| 66 | (5) "Commission" means the Pari-mutuel Horse Racing Commission created in Section |
| 67 | <u>63C-32-201.</u> |
| 68 | (6) "Drug" means a substance foreign to a horse's body, other than food, that is intended to |
| 69 | affect the structure or function of the horse's body. |
| 70 | (7) "Entry" means a horse entered to compete in a horse race. |
| 71 | (8) "Exotic wager" means a wager consisting of a single betting interest on three or more |
| 72 | entries. |
| 73 | (9) "Handle" means the amount of money wagered in a pari-mutuel pool. |
| 74 | (10) "Multiple wager" means a wager consisting of a single betting interest on two entries. |
| 75 | (11) "Pari-mutuel Commission Account" means the restricted account created in Section |
| 76 | <u>63C-32-601.</u> |
| 77 | (12) "Pari-mutuel event" means a horse racing event authorized by the commission. |
| 78 | (13) "Pari-mutuel pool" means all the wagers placed on a pari-mutuel event. |
| 79 | (14) "Pari-mutuel wagering" means wagering on the outcome of a pari-mutuel event in |
| 80 | which: |
| 81 | (a) an individual may place a wager of various amounts on an entry in the event; |
| 82 | (b) all wagers for the event are pooled and held by the permittee for distribution; and |
| 83 | (c) the permittee distributes the total wagers comprising the pari-mutuel pool once the |
| 84 | outcome of the event is decided after subtracting: |
| 85 | (i) an amount not greater than: |
| 86 | (A) for live racing, 25.90%; or |
| 87 | (B) for simulcasting, 35%; and |
| 88 | (ii) the amount for breakage to holders of tickets on the winning entries. |
| 89 | (15)(a) "Participant" means any person with a financial interest or investment in an entry. |
| 90 | (b) "Participant" includes the entry's trainer, jockey, and owner. |
| 91 | (c) "Participant" does not include a person that places a wager on an entry. |
| 92 | (16) "Simulcasting" means the live broadcasting of a pari-mutuel event at a remote location |
| 93 | from the pari-mutuel event. |
| 94 | (17) "Simulcast wagering" means a wager placed on a simulcast pari-mutuel event. |
| 95 | (18) "Steward" means an individual authorized by the commission to enforce this chapter |
| 96 | and commission rules under Section 63C-32-203. |
| 97 | Section 2. Section 63C-32-201 is enacted to read: |
| 98 | Part 2. Pari-mutuel Horse Racing Commission |

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| 99 | 63C-32-201 . Creation Membership Officers Meetings Compensation. |
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| 100 | (1) There is created the Pari-mutuel Horse Racing Commission. |
| 101 | (2) The commission is composed of seven individuals, each of whom is appointed by the |
| 102 | governor with the advice and consent of the Senate. |
| 103 | (3) The governor shall appoint to the commission an individual who: |
| 104 | (a) is a resident of the state; |
| 105 | (b) reflects the different geographical areas of the state; and |
| 106 | (c) can demonstrate experience in horse racing. |
| 107 | (4)(a) Except as provided in Subsection (4)(d), a commission member shall serve for a |
| 108 | term of four years. |
| 109 | (b) The governor may reappoint a commission member to one additional four-year term. |
| 110 | (c) A commission member shall continue to serve until the governor appoints and the |
| 111 | Senate confirms the member's successor. |
| 112 | (d) Notwithstanding Subsection (4)(a), the governor may, at the time of appointment or |
| 113 | reappointment, adjust the length of a commission member's term to ensure that terms |
| 114 | are staggered so that approximately one half of the commission is appointed every |
| 115 | two years. |
| 116 | (e) When a vacancy occurs in the commission membership for any reason, the governor |
| 117 | shall fill the vacancy for the unexpired term. |
| 118 | (f) The governor may remove a commission member for inefficiency, neglect of duty, |
| 119 | malfeasance or misfeasance in office, or other good and sufficient cause. |
| 120 | (5)(a) A majority of the commission constitutes a quorum. |
| 121 | (b) A majority vote of a quorum may act for the commission. |
| 122 | (6) The commission shall: |
| 123 | (a) elect annually from the commission membership a president and vice-president; |
| 124 | (b) hold a fall meeting; |
| 125 | (c) hold special meetings at times and places that a majority of the commission |
| 126 | determines; and |
| 127 | (d) keep a record of the proceedings of the commission. |
| 128 | (7) The commission may employ, seasonally or annually: |
| 129 | (a) a director who has a working knowledge of pari-mutuel wagering and horse racing; |
| 130 | (b) an executive secretary; and |
| 131 | (c) a steward described in Section 63C-32-203. |
| 132 | (8)(a) A member of the commission who has a personal or private interest in any matter |

| 133 | proposed or pending before the commission: |
|---|--|
| 134 | (i) shall publicly disclose the member's personal or private interest to the |
| 135 | commission; and |
| 136 | (ii) may not vote on the proposed or pending matter in which the member has a |
| 137 | personal or private interest. |
| 138 | (b) A member of the commission who owns or has any interest, or whose spouse or |
| 139 | immediate family member has any interest, in an entry in a pari-mutuel event: |
| 140 | (i) shall disclose the interest; and |
| 141 | (ii) may not participate in a commission decision involving the pari-mutuel event. |
| 142 | (9) The commission may provide to a commission member: |
| 143 | (a) per diem and travel expenses in accordance with: |
| 144 | (i) Section 63A-3-106; |
| 145 | (ii) Section 63A-3-107; and |
| 146 | (iii) rules that the Division of Finance makes in accordance with Sections 63A-3-106 |
| 147 | and 63A-3-107; and |
| 148 | (b) compensation of \$50 for each day during which the member is engaged in the |
| 149 | discharge of commission duties except participation at a commission meeting. |
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| 150 | Section 3. Section 63C-32-202 is enacted to read: |
| 150 151 | Section 3. Section 63C-32-202 is enacted to read: 63C-32-202 . DutiesRulemaking Accounting Audit. |
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| 151 | 63C-32-202 . DutiesRulemaking Accounting Audit. |
| 151 152 | <u>63C-32-202</u> . DutiesRulemaking Accounting Audit. (1) The commission shall: |
| 151 152 153 | <u>63C-32-202</u> . DutiesRulemaking Accounting Audit. (1) <u>The commission shall:</u> (a) <u>authorize by permit all pari-mutuel events;</u> |
| 151 152 153 154 | <u>63C-32-202</u>. DutiesRulemaking Accounting Audit. (1) The commission shall: (a) authorize by permit all pari-mutuel events; (b) supervise all pari-mutuel events; |
| 151 152 153 154 155 | <u>63C-32-202</u>. DutiesRulemaking Accounting Audit. (1) The commission shall: (a) authorize by permit all pari-mutuel events; (b) supervise all pari-mutuel events; (c) announce the place, time, and duration of all pari-mutuel events the commission |
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| 151 152 153 154 155 156 157 158 | 63C-32-202. DutiesRulemaking Accounting Audit. (1) The commission shall: (a) authorize by permit all pari-mutuel events; (b) supervise all pari-mutuel events; (c) announce the place, time, and duration of all pari-mutuel events the commission authorizes by permit; and (d) keep an accurate and true account of all: (i) funds the commission receives; and |
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| 167 | recover the costs of administering this chapter; |
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| 168 | (d) establish security access safeguards for licensees to use for advance deposit |
| 169 | pari-mutuel wagering; |
| 170 | (e) prohibit advertising of advance deposit pari-mutuel wagering that the commission |
| 171 | determines to be deceptive to the public; |
| 172 | (f) establish the number of pari-mutuel event days required to qualify for a simulcasting |
| 173 | permit in a manner that ensures fair and equitable involvement of all affected parties, |
| 174 | including consideration of the economic viability of those days to the permit |
| 175 | applicant; |
| 176 | (g) control, supervise, and direct permittees, including: |
| 177 | (i) provisions for resolving scheduling conflicts; and |
| 178 | (ii) settling disputes between permittees; |
| 179 | (h) govern the supervising, disciplining, suspending, fining, and barring from |
| 180 | pari-mutuel events of an individual required to be licensed under this chapter; |
| 181 | (i) govern the holding, conducting, and operating of all pari-mutuel events; |
| 182 | (j) provide for simulcasting, in accordance with Section 63C-32-402, in a manner that |
| 183 | protects the public interest; |
| 184 | (k) establish a list of allowed drugs for a horse participating in a pari-mutuel event; and |
| 185 | (1) establish qualifications for horses that the commission allows to race in a permitted |
| 186 | pari-mutuel event. |
| 187 | (3)(a) The state auditor or the state auditor's designee shall: |
| 188 | (i) audit the commission's accounting described in Subsection (1)(d) at least once |
| 189 | every two calendar years; and |
| 190 | (ii) deliver a copy of the audit to the commission and the governor within 30 days |
| 191 | after the day on which the auditor or the auditor's designee completes the audit. |
| 192 | (b) The commission shall bear the cost of the audit described in Subsection (3)(a). |
| 193 | Section 4. Section 63C-32-203 is enacted to read: |
| 194 | 63C-32-203 . Appointment of stewards. |
| 195 | (1)(a) The commission shall appoint no less than one steward and no more than three |
| 196 | stewards for each pari-mutuel event, including each simulcast event as described in |
| 197 | Section 63C-32-402, to enforce the commission's rules. |
| 198 | (b) The commission shall ensure that at least one steward described in Subsection (1)(a) |
| 199 | is an employee of the commission. |
| 200 | (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the |

| 201 | commission shall make rules to grant reasonable and necessary authority to a steward, |
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| 202 | including authority to: |
| 203 | (a) enforce the commission's rules and the requirements in this chapter; |
| 204 | (b) rule on the outcome of events; |
| 205 | (c) impose a fine or suspension in accordance with Section 63C-32-303; and |
| 206 | (d) recommend that the commission impose a larger fine or longer suspension in |
| 207 | accordance with Subsection 63C-32-303(4)(b). |
| 208 | (3) The commission shall pay a steward an amount set by the commission that includes |
| 209 | expenses and mileage. |
| 210 | Section 5. Section 63C-32-204 is enacted to read: |
| 211 | 63C-32-204 . County elections required for pari-mutuel events. |
| 212 | (1) The commission may not issue a permit for a pari-mutuel event in a county that: |
| 213 | (a) has not voted to allow pari-mutuel events within the county in an election described |
| 214 | in Subsection (2); or |
| 215 | (b) rejects holding pari-mutuel events within the county in an election described in |
| 216 | Subsection (2). |
| 217 | (2) On or before December 31, 2025, each county legislative body shall put the question of |
| 218 | whether to allow pari-mutuel events within the county to voters in a general or special |
| 219 | election called and held in accordance with Sections 20A-1-203 and 20A-1-204. |
| 220 | (3) If voters in an election described in Subsection (2) vote to not allow pari-mutuel events |
| 221 | within a county, the county legislative body may put the question of whether to allow |
| 222 | pari-mutuel events within the county to the voters no sooner than two years after a |
| 223 | previous vote. |
| 224 | Section 6. Section 63C-32-301 is enacted to read: |
| 225 | Part 3. License and Permit Requirements |
| 226 | <u>63C-32-301</u> . License required. |
| 227 | (1) The following shall obtain a license from the commission: |
| 228 | (a) each applicant for a permit described in Section 63C-32-302; |
| 229 | (b) each participant; |
| 230 | (c) each employee of a permittee or participant that is directly involved in the horse |
| 231 | racing or pari-mutuel wagering activities of the permittee or participant; and |
| 232 | (d) any other person that the commission requires to obtain a license under commission |
| 233 | rule. |
| 234 | (2) The commission may fine a licensee or suspend a license in accordance with Section |

| 235 | 63C-32-303 and commission rule. |
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| 236 | (3) An applicant for a pari-mutuel license shall provide to the commission all information |
| 237 | necessary for a criminal background check. |
| 238 | Section 7. Section 63C-32-302 is enacted to read: |
| 239 | 63C-32-302 . Permit required Conditions. |
| 240 | (1) A person shall obtain a permit from the commission before holding or advertising a |
| 241 | pari-mutuel event. |
| 242 | (2)(a) An application for a permit shall include: |
| 243 | (i) the name and identification of the applicant; |
| 244 | (ii) a complete financial statement of the applicant; |
| 245 | (iii) information about the purpose and use of the permit, including: |
| 246 | (A) the events the applicant will conduct under the permit; |
| 247 | (B) the manner of wagering for the events that the applicant will conduct under |
| 248 | the permit; and |
| 249 | (C) the applicant's proposed controls and supervision of an event and wagering at |
| 250 | the event; |
| 251 | (iv) the names and identification of the individuals who will supervise the manner of |
| 252 | wagering; and |
| 253 | (v) the license of the applicant as required by Section 63C-32-301. |
| 254 | (b) A permit issued under this Subsection (2) authorizes a pari-mutuel event for the |
| 255 | times and places described in the permit. |
| 256 | (3)(a) The commission may issue a permit to allow a person, including a county, |
| 257 | municipality, or county fair board, to hold pari-mutuel events for up to three years |
| 258 | from the date of issuance. |
| 259 | (b) A permittee under Subsection (2)(a) may not: |
| 260 | (i) assign, lease, contract, or otherwise turn over the operation or management of: |
| 261 | (A) a permitted pari-mutuel event; or |
| 262 | (B) the pari-mutuel system of wagering; or |
| 263 | (ii) allow a person other than the permittee to retain any of the money received for |
| 264 | admission to the race or from the operations of the pari-mutuel system. |
| 265 | (c) The commission shall revoke the permit of a permittee that violates Subsection (3)(b). |
| 266 | (d) The commission may issue, amend, or deny permits at the commission's discretion. |
| 267 | (4) To obtain a pari-mutuel permit, the permittee shall agree to contribute to the Breeder |
| 268 | Award Account: |

| 269 | (a) an amount equal to 0.40% of the total handle wagered during the pari-mutuel event; |
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| 270 | and |
| 271 | (b) a sum equal to 20% of the 5% retained under Subsection 63C-32-404(2)(b) on |
| 272 | multiple or exotic wagers. |
| 273 | Section 8. Section 63C-32-303 is enacted to read: |
| 274 | 63C-32-303 . License or permit violations Fine Suspension Appeal. |
| 275 | (1)(a) If a person violates a commission rule: |
| 276 | (i) a steward may impose a fine not to exceed \$1,000; and |
| 277 | (ii) the commission may impose a fine not to exceed \$10,000. |
| 278 | (b) A steward shall report to the commission within 24 hours after the fine is imposed: |
| 279 | (i) the amount of the fine; |
| 280 | (ii) information about the violation, including which commission rule the person |
| 281 | violated; and |
| 282 | (iii) the name of the person subject to the fine. |
| 283 | (c) The commission or a steward shall send written notification to a person subject to a |
| 284 | <u>fine.</u> |
| 285 | (d) A written notification described in Subsection (1)(c) shall include: |
| 286 | (i) the amount of the fine; |
| 287 | (ii) which commission rule the person violated; |
| 288 | (iii) whether the person is required to pay the fine within 48 hours in accordance with |
| 289 | Subsection (1)(e); and |
| 290 | (iv) information regarding how to appeal the fine. |
| 291 | (e) A permittee or licensee subject to a fine under this chapter shall pay the fine to the |
| 292 | commission within 48 hours after the fine is imposed. |
| 293 | (2)(a) If a licensee or permittee violates a commission rule: |
| 294 | (i) a steward may suspend the license or permit for up to 30 days; and |
| 295 | (ii) the commission may suspend the license or permit for any period of time. |
| 296 | (b) A steward shall report to the commission within 24 hours after suspending a license |
| 297 | or permit: |
| 298 | (i) that the steward imposed a license or permit suspension; |
| 299 | (ii) information about the violation, including which commission rule the licensee or |
| 300 | permittee violated; and |
| 301 | (iii) the name of the licensee or permittee subject to suspension. |
| 302 | (c) The commission or a steward shall send written notification to a licensee or permittee |

| 303 | subject to a license or permit suspension. |
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| 304 | (d) A written notification described in Subsection (2)(c) shall include: |
| 305 | (i) the length of the suspension; |
| 306 | (ii) which commission rule the licensee or permittee violated; and |
| 307 | (iii) information regarding how to appeal the suspension. |
| 308 | (3) The commission or steward imposing a fee or suspension shall ensure that the amount |
| 309 | of the fee or the length of the suspension is proportional to the seriousness of the |
| 310 | violation. |
| 311 | (4)(a) A person may appeal a fine or suspension in writing to the commission within five |
| 312 | days after the day on which the person is notified of the fine or suspension. |
| 313 | (b) The commission may: |
| 314 | (i) affirm or reverse a steward's imposition of a fee or suspension; or |
| 315 | (ii) increase or decrease a fine or suspension. |
| 316 | Section 9. Section 63C-32-304 is enacted to read: |
| 317 | 63C-32-304 . Bond of permittees Conditions Prosecution of bond actions. |
| 318 | (1)(a) Subject to the condition described in Subsection (1)(b), the commission may |
| 319 | require a permittee to deliver to the commission, in an amount not less than \$5,000: |
| 320 | (i) a bond signed by a surety company authorized to do business in the state in a form |
| 321 | and amount that the commission specifies; |
| 322 | (ii) a certificate of deposit; or |
| 323 | (iii) an irrevocable letter of credit. |
| 324 | (b) The commission may accept the delivery described in Subsection (1)(a) if the |
| 325 | permittee: |
| 326 | (i) pays to the commission all monies due under this chapter; and |
| 327 | (ii) performs other obligations as the commission may require. |
| 328 | (c) The commission may exempt a political subdivision, as that term is defined in |
| 329 | Section 17-1-102, from the requirements of this Subsection (1). |
| 330 | (2) The county attorney of the county in which a pari-mutuel event is held may prosecute |
| 331 | an action on the bond described in Subsection (1) on behalf of the commission against a |
| 332 | permittee for any reason except for an action involving public liability insurance. |
| 333 | Section 10. Section 63C-32-401 is enacted to read: |
| 334 | Part 4. Pari-mutuel Events |
| 335 | 63C-32-401 . Commission supervision of pari-mutuel events. |
| 336 | (1) The commission shall: |

| 337 | (a) observe and supervise the conduct of pari-mutuel wagering at a pari-mutuel event in |
|-----|--|
| 338 | accordance with the event's permit; and |
| 339 | (b) make the commission's rules available to a participant of an event. |
| 340 | (2)(a) The commission may appoint a steward in accordance with Section 63C-32-203, |
| 341 | to observe and supervise the conduct of pari-mutuel wagering at a pari-mutuel event. |
| 342 | (b) A steward of the commission may freely access each event to which the commission |
| 343 | assigns the steward, including accessing associated pari-mutuel booths and records. |
| 344 | Section 11. Section 63C-32-402 is enacted to read: |
| 345 | <u>63C-32-402</u> . Simulcasting. |
| 346 | (1) A person may not conduct simulcasting without a permit described in Section |
| 347 | <u>63C-32-302.</u> |
| 348 | (2) The commission may not issue a permit to an applicant for simulcasting unless the |
| 349 | applicant is authorized to conduct a pari-mutuel event other than simulcasting. |
| 350 | (3) A permittee may conduct simulcasting off the permitted premises of a pari-mutuel event |
| 351 | if the county legislative body in the county hosting the simulcasting grants approval. |
| 352 | (4)(a) Except as provided in Subsection (4)(b), a permittee may not conduct |
| 353 | simulcasting within 100 miles of the premises of a permitted pari-mutuel event. |
| 354 | (b) The commission may waive the 100-mile limitation described in Subsection (4)(a) if |
| 355 | a permit application for simulcasting includes written approval from the permittee of |
| 356 | the pari-mutuel event within the 100-mile limitation. |
| 357 | Section 12. Section 63C-32-403 is enacted to read: |
| 358 | 63C-32-403 . Advance deposit pari-mutuel wagering. |
| 359 | (1) The commission may authorize a permittee to conduct advance deposit pari-mutuel |
| 360 | wagering at a pari-mutuel event. |
| 361 | (2) An authorized permittee under Subsection (1) may not: |
| 362 | (a) accept an advance deposit pari-mutuel wager on an advance deposit pari-mutuel |
| 363 | wagering account that an individual other than the account owner makes; or |
| 364 | (b) allow an individual under 18 years old to open, own, or access an advance deposit |
| 365 | pari-mutuel wagering account. |
| 366 | (3) An authorized permittee under Subsection (1) shall: |
| 367 | (a) confirm the identification of the account owner by using methods and technologies |
| 368 | that the commission approves; |
| 369 | (b) provide a full accounting and verification of the sources of wagers at the request of |
| 370 | the commission and in a form that the commission requires; |

| 371 | (c) allow the commission and a commission representative, steward, and agent to access |
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| 372 | the permittee's premises to ensure the permittee's compliance with this chapter and |
| 373 | commission rules; and |
| 374 | (d) include a statement in all forms of advertising for advance deposit pari-mutuel |
| 375 | wagering accounts that individuals under 18 years old are not allowed to open, own, |
| 376 | or access an advance deposit pari-mutuel wagering account. |
| 377 | Section 13. Section 63C-32-404 is enacted to read: |
| 378 | 63C-32-404 . Takeouts Payment Breakage. |
| 379 | (1)(a) On or before the Wednesday following a permittee's pari-mutuel event, a |
| 380 | permittee shall: |
| 381 | (i) file a report with the commission regarding the total amount of money wagered |
| 382 | during an event; and |
| 383 | (ii) pay into the Pari-mutuel Commission Account an amount equal to 3% of the total |
| 384 | amount described in the report under Subsection (1)(a)(i). |
| 385 | (b) The commission shall transfer one-third of the amount described in Subsection |
| 386 | <u>(1)(a)(ii):</u> |
| 387 | (i) if the permittee is located within the borders of a city or town, in equal shares to |
| 388 | the county and the city or town in which the permittee is located; or |
| 389 | (ii) if the permittee is not located within the boundaries of a city or town, to the |
| 390 | county in which the permittee is located. |
| 391 | (2) Subject to Subsection 63C-32-302(5)(a), a permittee may retain an amount equal to: |
| 392 | (a) 19.4% of the total handle, as shown by the report described in Subsection (1)(a)(i); |
| 393 | (b) 5% of the total amount wagered on multiple or exotic wagers; |
| 394 | (c) the breakage, not to exceed 10 cents per winning wager; and |
| 395 | (d) unclaimed tickets not claimed within one year following the event for: |
| 396 | (i) the expenses of the event; |
| 397 | (ii) a purse payout; and |
| 398 | (iii) promotion of the racing industry. |
| 399 | Section 14. Section 63C-32-405 is enacted to read: |
| 400 | 63C-32-405 . Horse identification Stimulation or retardation of animals |
| 401 | prohibited Animal testing. |
| 402 | (1) A permittee shall ensure that every horse participating in the permittee's pari-mutuel |
| 403 | event: |
| 404 | (a) participates under the horse's registered name; and |

| 405 | (b) is accurately identified. |
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| 406 | (2) A person may not: |
| 407 | (a) substitute a horse approved as an entry; or |
| 408 | (b) use any device or means to conceal or confuse the name and identification of a horse. |
| 409 | (3) It is unlawful for any person to use or permit to be used a drug or mechanical or |
| 410 | electrical device of any kind to stimulate or retard an animal in a permitted pari-mutuel |
| 411 | event, except as allowed by the commission under Subsection 63C-32-202(2)(j). |
| 412 | (4)(a) A commission member, agent of the commission, or steward may require the |
| 413 | testing of an animal to determine whether the animal has been stimulated or retarded |
| 414 | in violation of Subsection (3). |
| 415 | (b) A veterinarian licensed under Title 58, Chapter 28, Veterinary Practice Act, shall |
| 416 | supervise the testing described in Subsection (4)(a). |
| 417 | Section 15. Section 63C-32-501 is enacted to read: |
| 418 | Part 5. Criminal Violations |
| 419 | 63C-32-501 . Operating without a permit Criminal penalty. |
| 420 | (1) It is unlawful for an individual to hold or conduct a pari-mutuel event or a pari-mutuel |
| 421 | system of wagering without a permit described in Section 63C-32-302. |
| 422 | (2) <u>A violation of Subsection (1) is a third degree felony.</u> |
| 423 | Section 16. Section 63C-32-502 is enacted to read: |
| 424 | <u>63C-32-502</u> . Bribery Criminal penalty. |
| 425 | (1) It is unlawful bribery for an individual: |
| 426 | (a) to give, promise to give, or attempt to give any money, bribe, or thing of value with |
| 427 | intent to influence a person to dishonestly umpire, manage, direct, judge, preside, |
| 428 | officiate at, or participate in a pari-mutuel event with the intention or purpose of |
| 429 | affecting the result of the event; or |
| 430 | (b) to receive, agree to receive, or attempt to receive any money, bribe, or thing of value |
| 431 | with intent to influence a person to dishonestly umpire, manage, direct, judge, |
| 432 | preside, officiate at, or participate in a pari-mutuel event with the intention or purpose |
| 433 | of affecting the result of the event. |
| 434 | (2) A violation of Subsection (1) is a third degree felony. |
| 435 | Section 17. Section 63C-32-503 is enacted to read: |
| 436 | <u>63C-32-503</u> . Touting Criminal penalty. |
| 437 | (1) It is unlawful touting for an individual: |
| 438 | (a) to knowingly persuade, procure, cause, or attempt to persuade, procure, or cause |

| 439 | another person to wager on an animal in a pari-mutuel event; or |
|-----|---|
| 440 | (b) to ask or demand compensation as a reward for information or purported information |
| 441 | given in a circumstance described in this Subsection (1). |
| 442 | (2) A violation of Subsection (1) is a class B misdemeanor. |
| 443 | Section 18. Section 63C-32-504 is enacted to read: |
| 444 | 63C-32-504 . Betting by minors Criminal penalty. |
| 445 | (1) It is unlawful for an individual under 18 years old to place or be allowed to place a |
| 446 | wager on a pari-mutuel event. |
| 447 | (2) A violation of Subsection (1) is a class B misdemeanor. |
| 448 | Section 19. Section 63C-32-505 is enacted to read: |
| 449 | 63C-32-505 . Refusal to leave premises Criminal penalty. |
| 450 | (1) A commission member, agent of the commission, or steward may exclude from a |
| 451 | pari-mutuel event an individual who has been convicted of: |
| 452 | (a) bribery as described in Section 63C-32-502; |
| 453 | (b) touting as described in Section 63C-32-503; or |
| 454 | (c) underage betting or permitting underage betting as described in Section 63C-32-504. |
| 455 | (2) It is unlawful for an individual described in Subsection (1) to refuse to leave the |
| 456 | premises of a pari-mutuel event when the commission member, agent of the |
| 457 | commission, or steward excludes the individual from attendance under Subsection (1). |
| 458 | (3) A violation of Subsection (2) is a class B misdemeanor. |
| 459 | Section 20. Section 63C-32-601 is enacted to read: |
| 460 | Part 6. Restricted Accounts |
| 461 | 63C-32-601 . Pari-mutuel Commission Restricted Account. |
| 462 | (1) There is created a restricted account within the General Fund known as the "Pari-mutuel |
| 463 | Commission Restricted Account." |
| 464 | (2) The account shall consist of: |
| 465 | (a) all sums paid to the commission under this chapter except contributions from |
| 466 | permittees to the Breeder Award Restricted Account described in Subsection |
| 467 | <u>63C-32-302(5)(a);</u> |
| 468 | (b) fines and penalties that the commission receives; and |
| 469 | (c) interest earned on money in the account. |
| 470 | (3) Subject to appropriation by the Legislature, money in the account may be used for the |
| 471 | payment of expenses the commission incurs in enforcing this chapter. |
| 472 | (4) The commission may not incur expenses that exceed the total money in the Pari-mutuel |
| | |

- 473 <u>Commission Account.</u>
- 474 Section 21. Section **63C-32-602** is enacted to read:
- 475 <u>63C-32-602</u>. Breeder Award Restricted Account.
- 476 (1) There is created a restricted account within the General Fund known as the "Breeder
- 477 <u>Award Restricted Account."</u>
- 478 (2) The account shall consist of:
- 479 (a) <u>contributions the commission receives described in Subsection 63C-32-302(5)(a); and</u>
- 480 (b) interest earned on money in the account.
- 481 (3) Subject to appropriation by the Legislature, money in the account may be used for
- 482 breeder awards to promote, at the commission's discretion:
- 483 (a) improved breeding practices; and
- 484 (b) development of the horse industry.
- 485 Section 22. Effective Date.
- 486 This bill takes effect on May 7, 2025.