

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

Senate Bill 568

BY SENATOR SNYDER

[Introduced February 10, 2016;

Referred to the Committee on Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §19-23-12e, relating to licensing of out-of-state simulcasting facilities;
 3 providing for the assessment of source market fees; providing for the distribution of
 4 seventy-five percent of those fees to the live flat track permittees in this state on a number
 5 of live days basis, to be used to enhance purses at those tracks; providing for the
 6 distribution of ten percent of those fees to in-state West Virginia simulcast permittees,
 7 weighted by the annual simulcast handle other than the advanced deposit wagering
 8 handle; providing for the distribution of ten percent of those fees to the Thoroughbred
 9 Development Fund; and providing for the distribution of five percent of those fees to the
 10 Racing Commission for administrative expenses.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §19-23-12e, to read as follows:

ARTICLE 23. HORSE AND DOG RACING.

§19-23-12e. Licensing of out-of-state simulcasting facilities.

1 (a) As used in this section:

2 (1) "Out-of-state simulcast facility" means a track or other facility, located within a
 3 jurisdiction other than West Virginia, at which pari-mutuel wagers are placed, accepted or
 4 distributed, either in person or electronically, on simulcast races pursuant to proper authorization
 5 under the laws of that jurisdiction; and

6 (2) "Source market fee" means a license fee, assessed by the Racing Commission
 7 pursuant to subsection (b) of this section, payable by out-of-state simulcast facilities that conduct
 8 pari-mutuel wagering on simulcast races and that accept wagers from West Virginia residents by
 9 telephone or other electronic means at those facilities.

10 (b) The Racing Commission may license, regulate and charge a source market fee to
 11 persons outside of West Virginia who conduct pari-mutuel wagering on simulcast races and who

12 accept wagers from West Virginia residents at out-of-state simulcast facilities, and shall require
13 out-of-state simulcast facilities licensed under this section to be maintained and operated in
14 accordance with the laws of this state and rules of the commission. Source market fees imposed
15 on persons licensed under this subsection shall not exceed ten percent of the gross receipts of
16 all pari-mutuel wagering by West Virginia residents conducted by such persons at out-of-state
17 simulcast facilities. Source market fees collected annually under this subsection shall be
18 distributed as follows:

19 (1) Seventy-five percent to the live flat track permittees in this state on a number of live
20 days basis, to be used to enhance purses at those tracks;

21 (2) Ten percent to in-state West Virginia simulcast permittees, weighted by the annual
22 simulcast handle other than the advanced deposit wagering handle;

23 (3) Ten percent to the Thoroughbred Development Fund created in section thirteen-b of
24 this article; and

25 (4) Five percent to the Racing Commission for administrative expenses.

NOTE: The purpose of this bill is to provide for licensing of out-of-state simulcast facilities that conduct pari-mutuel wagering on simulcast races and that accept wagers from West Virginia residents by telephone or other electronic means at those facilities. The bill allows the Racing Commission to charge source marketing fees on the gross receipts of pari-mutuel wagering by West Virginia residents conducted at those facilities, and provides for the distribution of those fees.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.