



Senate

General Assembly

File No. 118

February Session, 2004

Substitute Senate Bill No. 428

Senate, March 17, 2004

The Committee on Public Safety reported through SEN. NEWTON of the 23rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT INCREASING THE PARI-MUTUEL TAKEOUT RATE FOR OFF-TRACK BETTING AND DOG RACING EVENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 12-572 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (d) (1) If the multiple forms of wagering known as daily double,
5 exacta and quinella are permitted by the board, the division or any
6 person or business organization operating the off-track betting system
7 shall distribute all sums deposited in the pari-mutuel pool for any such
8 event to the holders of winning tickets therein, less nineteen per cent of
9 the total deposits in such pool plus the breakage to the dime.

10 (2) If multiple forms of wagering on three or more animals are
11 permitted by the board, the division or such person or business
12 organization operating an off-track betting system, shall retain

13 [twenty-three] twenty-six per cent of the total sums deposited in the
14 pool for such event, plus the breakage to the dime, until July 1, 2006.

15 Sec. 2. Subsection (c) of section 12-575 of the general statutes is
16 repealed and the following is substituted in lieu thereof (*Effective from*
17 *passage*):

18 (c) (1) Except as provided in subdivision (2) of this subsection, each
19 licensee conducting horse racing events under the pari-mutuel system
20 shall distribute all sums deposited in any pari-mutuel program to the
21 holders of winning tickets therein, less seventeen per cent of the total
22 deposits plus the breakage to the dime of the amount so retained; each
23 licensee conducting jai alai events shall distribute all sums deposited in
24 any pari-mutuel program to the holders of winning tickets therein, less
25 a maximum of eighteen per cent of the deposits in the win, place or
26 show pools and less a maximum of twenty-three per cent of the
27 deposits in all other pools plus the breakage to the dime of the amount
28 so retained; each licensee conducting dog racing events shall distribute
29 all sums deposited in any pari-mutuel program to the holders of
30 winning tickets therein, less a maximum of [eighteen] nineteen per
31 cent of the deposits in the win, place or show pools and less a
32 maximum of [twenty-three] twenty-six per cent of the deposits in all
33 other pools plus the breakage to the dime of the amount so retained
34 until July 1, 2006, or, shall distribute all sums deposited in all of its
35 pari-mutuel programs conducted on any day to the holders of winning
36 tickets therein less twenty per cent of the total deposits plus the
37 breakage to the dime of the amount so retained, provided on and after
38 July 1, 1992, each licensee conducting dog racing events on July 5, 1991,
39 shall allocate four per cent of all sums deposited in any pari-mutuel
40 program to purses, one-quarter of one per cent to capital expenditures
41 for alterations, additions, replacement changes, improvements or
42 major repairs to or upon the property owned or leased by any such
43 licensee and used for such racing events, and one-quarter of one per
44 cent to promotional marketing, to reduce the costs of admission,
45 programs, parking and concessions and to offer entertainment and
46 giveaways. Each licensee conducting dog racing events shall, on an

47 annual basis, submit to the division certified financial statements
48 verifying the use of such allocations for purses, capital improvements
49 and promotional marketing. (2) Each licensee conducting racing or jai
50 alai events may carry over all or a portion of the sums deposited in any
51 pari-mutuel program, less the amount retained as herein provided, in
52 the twin trifecta, pick four or pick six pari-mutuel pool to another pool,
53 including a pool in a succeeding performance.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>

PS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Spec. Revenue, Div. of	GF - Revenue Loss	27,000	27,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 05 \$	FY 06 \$
Bridgeport; Plainfield	Revenue Loss	23,000	23,000

Explanation

State and Municipal

The bill is anticipated to result in a decrease in General Fund revenue of \$27,000 per year and a decrease in revenue of \$23,000 per year to the municipalities that host pari-mutuel and off-track betting facilities. This revenue loss is due to an expected decrease in handle of 4% from the Plainfield Dog Track, the Bridgeport Dog Track, and Connecticut OTB. Total handle is anticipated to decrease as a result of an increased takeout rate because there will be less money returned to bettors for re-wagering.

OLR Bill Analysis

sSB 428

AN ACT INCREASING THE PARI-MUTUEL TAKEOUT RATE FOR OFF-TRACK BETTING AND DOG RACING EVENTS**SUMMARY:**

This bill increases the takeout rate (the amount not returned to bettors) for certain types of bets at off-track betting (OTB) and dog racing facilities, until July 1, 2006. By law, parimutuel licensees must distribute all the money in the parimutuel pool, less the takeout and breakage to the dime, to holders of winning tickets. (Breakage to the dime is the odd amounts left over after each payoff is rounded down to the next dime.) Under current law, dog racing licensees retain a maximum of 18% for win, place, or show pools and a maximum 23% for other pools. The bill increases the maximum takeout for win, place, or show pools to 19% and the maximum for other pools to 26%.

The bill increases the maximum takeout rate for OTB licensees from 23% to 26% of wagers made on three or more animals ("exotic wagering").

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Public Safety Committee

Joint Favorable Substitute

Yea 18 Nay 3