

By Mr. Galvin of Boston, petition of William F. Galvin relative to off-track teletheatres. Government Regulations.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety.

AN ACT RELATIVE TO OFF-TRACK TELETHEATRES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding the provisions of any general or
2 special law or rule or regulation to the contrary, the following
3 words, as used in this act shall have the following meanings:

4 Commission: The off-track teletheatre Commission as
5 established by Section 2 of this act.

6 Person: Any individual, corporation, association, partnership
7 or any other public or private organization or entity which submits
8 an application to the off-track teletheatre commission to own or
9 operate a teletheatre facility.

10 Simulcast: The telecast of live audio and visual signals of horse
11 or dog races conducted in the commonwealth for the purpose of
12 parimutuel betting, consistent with the Federal Interstate
13 Horseracing Act of 1978 Section 3004 where applicable, provision
14 for the simulcasting of special events and other interstate races
15 as defined in Section 3004.

16 Host Community — any city or town where a teletheatre is
17 licensed to operate.

18 Teletheatre: a facility which displays simulcasts for parimutuel
19 racing purposes and which is also a public entertainment and
20 wagering facility and which may include any of the following
21 features; a large screen television projection and display unit, a
22 display system for odds, pools, payout prices, areas for viewing
23 and seating or a food and beverage facility.

1 SECTION 2. There shall be established an off-track teletheatre
2 commission hereinafter called the commission to consist of the

3 following three members; the secretary of public safety or his
4 designee, the secretary of consumer affairs and business
5 regulations or his designee, and the state treasurer or his designee.
6 Said members shall serve for a term of three years. The
7 commission shall annually elect a chairman from its members,
8 provided however, no member shall serve as chairman for more
9 than two consecutive years.

10 A majority of the members of the commission shall constitute
11 a quorum for the purpose of conducting business, but a lesser
12 number may adjourn from time to time. The members of the
13 commission shall serve without compensation, but shall be
14 reimbursed for their expenses actually and necessarily incurred
15 in the discharge of their official duties.

1 SECTION 3. Any person desiring to operate a simulcast
2 teletheatre within the commonwealth shall make an application
3 to the off-track teletheatre commission, hereinafter called the
4 commission, for a license so to do. A request for a license shall
5 be announced by the commission by publishing notice thereof for
6 a period of seven consecutive days in the newspapers of the host
7 community and of general circulation throughout the state. Said
8 notice shall set forth the method by which the application may
9 be obtained and the procedure by which it shall be submitted. The
10 commission shall accept applications for said license for ninety
11 (90) days after the last date of publication of notice. Such
12 application shall state:

13 1. The name of the applicant.

14 2. The post office address of the applicant, and if a corporation,
15 the name of the state under the laws of which it is incorporated,
16 the location of its principal place of business and the names and
17 addresses of its directors and stockholders.

18 3. The location of the proposed site for the teletheatre facility.

19 a. In addition an applicant shall submit a financial forecast
20 denoting the revenue earnings expected from the simulcast
21 teletheatre and the costs expected to operate such theatre. The
22 financial forecast shall include:

23 (i) the number of simulcast races to be displayed;

24 (ii) the types of wagering to be offered;

25 (iii) the level of attendance expected and the area from which
26 such attendance will be drawn;

27 (iv) the level of anticipated wagering activity;

28 (v) the source and amount of revenues expected from other than
29 parimutuel wagering;

30 (vi) the cost of operating the simulcast teletheatre and the
31 identification of costs to be amortized and the method of
32 amortization of such costs;

33 (vii) the amount and source of revenues needed for financing
34 the simulcast teletheatre;

35 (viii) the probable impact of the proposed operation on
36 revenues to local government and state government;

37 b. The security measures to be employed to protect the facility,
38 to control crowds, to safeguard the transmission of the simulcast
39 signals and to control the transmission of wagering data to
40 effectuate common wagering pools;

41 c. The type of data processing, communication and transmis-
42 sion equipment to be utilized;

43 d. The description of the management groups responsible for
44 the operation of the simulcast teletheatre;

45 e. The system of accounts to maintain a separate record of
46 revenues collected by the simulcast teletheatre, the distribution of
47 such revenues and the accounting of costs relative to the
48 teletheatre's operation;

49 f. The location of the facility and a written confirmation from
50 appropriate local officials that the location of such facility and
51 the number of patrons expected to occupy such facility are in
52 compliance with all applicable local ordinances.

53 The commission shall recommend the takeout percentages of
54 the total revenues accruing from the entire simulcast teletheatre
55 operations. Said recommendations shall be subject to legislative
56 approval.

57 Within forty-five (45) days of receipt of the applications
58 containing the financial forecast, the Commission shall approve
59 the plan, approve it with modification or deny approval, in which
60 latter case the Commission shall state its reasons therefor. Within
61 such period the Commission may request additional information
62 or suggest amendments. If the Commission fails to approve the
63 plan, the applicants may request a public hearing to be held within

64 thirty (30) days of the issuance of such denial. The Commission
65 shall issue its final determination within ten (10) days of such
66 hearing.

67 A license shall not be issued to permit the operation of a
68 teletheatre where the surrounding property is substantially of a
69 residential character as determined by or defined by a zoning
70 ordinance or by-law, if any, controlling such location.

71 No license shall be issued unless the person applying therefor
72 shall have executed and delivered to the Commission a bond,
73 payable to the Commission in the amount of One Hundred and
74 Twenty-Five Thousand (\$125,000) Dollars, with a surety or sureties
75 approved by the Commission conditioned upon the payment of
76 all sums which may become payable to the Commission under
77 this chapter.

1 SECTION 4. If an application for a license, is filed and
2 subsequently approved by Commission as provided by Section 3
3 and Section 5, the commission shall issue a license to the applicant
4 to operate the simulcast teletheatre. No license shall be
5 transferable. Any license issued hereunder shall be renewable on
6 an annual basis from the granting thereof, upon the submission
7 of a renewal application to the commission, and such renewal
8 application shall require the same type of information as required
9 on the original application. Such renewal application shall be
10 submitted to the commission at least ninety (90) days prior to the
11 expiration of the current license. The commission shall have the
12 power to determine the fitness of the licensee to hold such license
13 if it is determined that the licensee is unfit to continue to hold
14 such license.

15 Every license shall be recorded in the office of the secretary of
16 state, and the office of the clerk of the city or town in which such
17 teletheatre is located, upon the issuance of such license. After such
18 license is so recorded, a duly certified copy thereof shall forthwith
19 be conspicuously displayed and shall be kept displayed in the
20 principal business office at the teletheatre and at all reasonable
21 times shall be exhibited to any person requesting to see the same.

1 SECTION 5. No person shall submit an application which is
2 not accompanied by a statement of a city or town clerk certifying

3 that the following question was placed on the official ballot within
4 the preceding three years and was approved by a majority of the
5 votes cast in the city or town where the teletheatre may be
6 located:

7 “Shall a license be granted to permit the establishment and
8 operation of a teletheatre for the purpose of off-track betting in
9 the city of _____”;

10 provided however a city or town shall be exempt from said
11 requirement if at any time during the past three years said question
12 was placed on the official ballot and such question was so
13 approved.

14 No person who owns, or has any other financial interest, direct
15 or indirect, in a race track located within the commonwealth or
16 in any other contiguous state shall submit an application to said
17 commission.

