

By Mrs. Parente of Milford, petition of Marie J. Parente for legislation to authorize the telecasting of dog and horse racing in teletheatres. Government Regulations.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety.

AN ACT RELATIVE TO SIMULCAST 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. Chapter 128A is hereby amended by inserting
2 after section 5B the following section: —

3 Section 5C. Notwithstanding the provisions of any general or
4 special law to the contrary, the following words, as used in this
5 act, shall have the following meanings: —

6 Simulcast: The telecast of live audio and visual signals of dog
7 and horse races conducted at the track of a licensee for the purpose
8 of parimutuel betting, consistent with Section 3004 of the Federal
9 Interstate Horseracing Act of 1978.

10 Host Community: Any city or town where a teletheatre is
11 licensed to operate.

12 Teletheatre: A facility which displays simulcasts for parimutuel
13 racing purposes and which is also a public entertainment and
14 wagering facility and which may include any of the following
15 features: a large screen television projection and display unit, a
16 display system for odds, pools, payout prices, areas for viewing
17 and seating or a food and beverage facility.

1 SECTION 2. Any person licensed to conduct horse and dog
2 racing in the Commonwealth, other than a licensee holding a
3 racing meeting in connection with a state or county fair, may
4 operate a simulcast teletheatre as defined in Section 1 of this act
5 in the Commonwealth; provided, however, that said licensee shall
6 not simulcast any race other than one conducted at said licensee's
7 track.

1 SECTION 3. Any person desiring to operate a simulcast
2 teletheatre within the commonwealth shall make an application
3 to the lottery commission, hereinafter called the commission, for
4 a license so to do. A request for a license shall be announced by
5 the commission by publishing notice thereof for a period of seven
6 consecutive days in the newspapers of the host community and
7 of general circulation throughout the state. Said notice shall set
8 forth the method by which the application may be obtained and
9 the procedure by which it shall be submitted. Such application
10 shall state: —

11 1. The name of the applicant.

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

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

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

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

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

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

25 (iv) the level of anticipated wagering activity;

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

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

31 (vii) the amount and source of revenues needed for financing
32 the simulcast teletheatre;

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

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

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

41 d. The description of the management groups responsible for
42 the operation of the simulcast teletheatre;

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

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

51 The commission shall determine the takeout percentages of the
52 total revenues accruing from the entire simulcast teletheatre
53 operations.

54 Within forty-five (45) days of receipt of the applications
55 containing the financial forecast, the Commission shall approve
56 the plan, approve it with modification or deny approval, in which
57 latter case the Commission shall state its reasons therefor. Within
58 such period the Commission may request additional information
59 or suggest amendments. If the Commission fails to approve the
60 plan, the applicants may request a public hearing to be held within
61 thirty (30) days of the issuance of such denial. The Commission
62 shall issue its final determination within ten (10) days of such
63 hearing.

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

68 No license shall be issued unless the person applying therefor
69 shall have executed and delivered to the Commission a bond,
70 payable to the Commission in the amount of One Hundred and
71 Twenty-Five Thousand (\$125,000) Dollars, with a surety or
72 sureties approved by the Commission conditioned upon the
73 payment of all sums which may become payable to the
74 Commission under 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 the commission shall issue a license to the applicant to operate
4 the simulcast teletheatre. No license shall be transferable. Any
5 license issued hereunder shall be renewable on an annual basis
6 from the granting thereof, upon the submission of a renewal
7 application to the commission, and such renewal application shall
8 require the same type of information as required on the original
9 application. Such renewal application shall be submitted to the
10 commission at least ninety (90) days prior to the expiration of the
11 current license. The commission shall have the power to determine
12 the fitness of the licensee to hold such license if it is determined
13 that the licensee is unfit to continue to hold such license.

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

1 SECTION 5. The first sentence of the third paragraph of
2 section 5 of Chapter 128A of the General Laws is hereby amended
3 in line 25 by adding after the word "conducted" the following: —
4 "except as otherwise provided in this chapter."

1 SECTION 6. All revenues shall be distributed to cities and
2 towns in the Commonwealth in accordance with the formula
3 established for the distribution of lottery funds in section 25 of
4 Chapter 10 of the General Laws.

1 SECTION 7. The commission is hereby authorized and
2 directed to develop rules and regulations for the simulcast of out-
3 of-state parimutuel racing, in compliance with Federal
4 Communications Commission regulations, and to examine the
5 economic feasibility of implementing same. The commission shall
6 submit its recommendations to the Clerk of the House of
7 Representatives no later than six months from the effective date
8 of this act.