

103D CONGRESS
1ST SESSION

H. R. 351

To regulate interstate commerce with respect to parimutuel wagering on greyhound racing, to maintain the stability of the greyhound racing industry, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. SLATTERY introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To regulate interstate commerce with respect to parimutuel wagering on greyhound racing, to maintain the stability of the greyhound racing industry, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Interstate Greyhound
5 Racing Act of 1993”.

6 **SEC. 2. FINDINGS AND POLICY.**

7 (a) FINDINGS.—The Congress finds that the States
8 should have the primary responsibility for determining

1 what forms of greyhound racing may legally take place
2 within their borders.

3 (b) POLICY.—It is the policy of the Congress in this
4 Act to regulate interstate commerce in order to further
5 greyhound racing in the United States.

6 **SEC. 3. DEFINITIONS.**

7 For the purposes of this Act—

8 (1) the term “concurrently operating tracks”
9 means racing associations conducting parimutuel
10 greyhound racing at the same time of day (afternoon
11 against afternoon; nighttime against nighttime) as
12 the racing association conducting the greyhound rac-
13 ing which is the subject of an interstate off-track
14 wager;

15 (2) the term “dark days” means those days
16 when racing of the same type does not occur in an
17 off-track State within 60 miles of an off-track bet-
18 ting office during a race meeting, including a dark
19 weekday when such racing association or associa-
20 tions run on Sunday and days when a racing pro-
21 gram is scheduled but does not take place or cannot
22 be completed due to weather, strikes, and other fac-
23 tors not within the control of the off-track betting
24 system;

1 (3) the term “greyhound owners’ group”
2 means, with reference to the applicable host racing
3 association, the group which represents the majority
4 of owners of greyhounds racing in races subject to
5 the interstate off-track wager on any racing day;

6 (4) the term “host racing association” means
7 any person who, pursuant to a license or other per-
8 mission granted by the host State, conducts the
9 greyhound race subject to an interstate wager;

10 (5) the term “host racing commission” means
11 that person designated by State statute or, in the
12 absence of statute, by regulation with jurisdiction to
13 regulate the conduct of racing within the host State;

14 (6) the term “host State” means the State in
15 which the greyhound race subject to an interstate
16 wager takes place;

17 (7) the term “interstate off-track wager” means
18 a legal wager placed or accepted in one State with
19 respect to the outcome of a greyhound race taking
20 place in another State;

21 (8) the term “off-track betting office” means
22 any location within an off-track State at which off-
23 track wagers are accepted;

24 (9) the term “off-track betting system” means
25 any group which is in the business of accepting wa-

1 wagers on greyhound races at locations other than the
2 place where the greyhound race is run, which busi-
3 ness is conducted by the State or licensed or other-
4 wise permitted by State law;

5 (10) the term “off-track racing commission”
6 means that person designated by State statute or, in
7 the absence of statute, by regulation with jurisdic-
8 tion to regulate “off-track” betting in that State;

9 (11) the term “off-track State” means the
10 State in which an interstate off-track wager is ac-
11 cepted;

12 (12) the term “on-track wager” means a wager
13 with respect to the outcome of a greyhound race
14 which is placed at the racetrack at which such grey-
15 hound race takes place;

16 (13) the term “parimutuel” means any system
17 whereby wagers with respect to the outcome of a
18 greyhound race are placed with, or in, a wagering
19 pool conducted by a person licensed or otherwise
20 permitted to do so under State law, and in which the
21 participants are wagering with each other and not
22 against the operator;

23 (14) the term “person” means any individual,
24 association, partnership, joint venture, corporation,
25 State or political subdivision thereof, department,

1 agency, or instrumentality of a State or political
2 subdivision thereof, or any other organization or en-
3 tity;

4 (15) the term “race meeting” means those
5 scheduled days during the year a racing association
6 is granted permission by the appropriate State rac-
7 ing commission to conduct greyhound racing;

8 (16) the term “race day” means a full program
9 of races at a specified racing association on a speci-
10 fied day;

11 (17) the term “regular contractual process”
12 means those negotiations by which the applicable
13 greyhound owners’ group and host racing association
14 reach agreements on issues regarding the conduct of
15 greyhound racing by the greyhound owners’ group at
16 the racing association;

17 (18) the term “special event” means the spe-
18 cific individual greyhound race which is deemed by
19 the off-track betting system to be of sufficient na-
20 tional significance and interest to warrant inter-
21 state off-track wagering on that event or events;

22 (19) the term “State” means each State of the
23 United States, the District of Columbia, the Com-
24 monwealth of Puerto Rico, and any territory or pos-
25 session of the United States;

1 (20) the term “takeout” means that portion of
2 a wager which is deducted from or not included in
3 the parimutuel pool, and which is distributed to per-
4 sons other than those placing wagers;

5 (21) the term “terms and conditions” includes
6 the percentage which is paid by the off-track betting
7 system to the host racing association, the percentage
8 which is paid by the host racing association to the
9 greyhound owners’ group, as well as any arrange-
10 ments as to the exclusivity between the host racing
11 association and the off-track betting system; and

12 (22) the term “year” means calendar year.

13 **SEC. 4. PROHIBITION.**

14 No person may accept an interstate off-track wager
15 except as provided in this Act.

16 **SEC. 5. REGULATION.**

17 (a) IN GENERAL.—An interstate off-track wager may
18 be accepted by an off-track betting system only if consent
19 is obtained from—

20 (1) the host racing association, except that as
21 a condition precedent to such consent, such racing
22 association (except a not-for-profit racing association
23 in a State where the distribution of off-track betting
24 revenues in that State is set forth by law) shall have
25 a written agreement with the greyhound owners’

1 group, under which such racing association may give
2 such consent, setting forth the terms and condi-
3 tions relating thereto, except that where the host
4 racing association has a contract with a greyhound
5 owners' group on the date of enactment of this Act
6 which contains no provisions referring to interstate
7 off-track betting, the terms and conditions of such
8 then-existing contract shall be deemed to apply to
9 the interstate off-track wagers and no additional
10 written agreement need be entered into unless the
11 parties to such then-existing contract agree other-
12 wise. Where such provisions exist in such existing
13 contract, such contract shall govern. Where written
14 consents exist on the date of enactment of this Act
15 between an off-track betting system and the host
16 racing association providing for interstate off-track
17 wagers, or such written consents are executed by
18 these parties prior to the expiration of such then-ex-
19 isting contract, upon the expiration of such then-ex-
20 isting contract the written agreement of such grey-
21 hound owners' group shall thereafter be required as
22 such condition precedent and as a part of the regu-
23 lar contractual process, and may not be withdrawn
24 or varied except in the regular contractual process.
25 Where no such written consent exists, and where

1 such written agreement occurs at a racing associa-
 2 tion which has a regular contractual process with
 3 such greyhound owners' group, such agreement by
 4 the greyhound owners' group may not be withdrawn
 5 or varied except in the regular contractual process;

6 (2) the host racing commission; and

7 (3) the off-track racing commission.

8 (b) ADDITIONAL REQUIREMENTS.—

9 (1) APPROVAL.—In addition to the requirement
 10 of subsection (a), any off-track betting office shall
 11 obtain the approval of—

12 (A) all concurrently operating tracks with-
 13 in 60 miles of such off-track betting office; and

14 (B) if there are no concurrently operating
 15 tracks within 60 miles, then the closest cur-
 16 rently operating track in an adjoining State.

17 (2) EXCEPTION.—Notwithstanding the provi-
 18 sions of paragraph (1), any off-track betting office
 19 in a State with at least 250 days of on-track pari-
 20 mutuel greyhound racing a year may accept inter-
 21 state off-track wagers for a total of 60 racing days
 22 and 25 special events a year without the approval
 23 required by paragraph (1) if with respect to such 60
 24 racing days there is no racing of the same type at
 25 the same time of day being conducted within the off-

1 track betting State within 60 miles of the off-track
2 betting office accepting the wager or such racing
3 program cannot be completed. Excluded from such
4 60 days and from the consent required by paragraph
5 (1) may be dark days which occur during a regularly
6 scheduled race meeting in such off-track betting
7 State. In order to accept any interstate off-track
8 wager under the terms of the preceding sentence the
9 off-track betting office shall make identical offers to
10 any racing association described in subparagraph
11 (A) of paragraph (1). Nothing in this subparagraph
12 shall be construed to reduce or eliminate the neces-
13 sity of obtaining all the approvals required by sub-
14 section (a).

15 (c) TAKE OUT.—No parimutuel off-track betting sys-
16 tem may employ a takeout for an interstate wager which
17 is greater than the takeout for corresponding wagering
18 pools of off-track wagers on races run within the off-track
19 State unless such greater takeout is authorized by State
20 law in the off-track State.

21 **SEC. 6. LIABILITY AND DAMAGES.**

22 Any person accepting any interstate off-track wager
23 in violation of section 5 shall be civilly liable for damages
24 to the host State, the host racing association, and the

1 greyhound owners' group. Damages for each violation
2 shall be based on the total of off-track wagers as follows:

3 (1) If the interstate off-track wager was of a
4 type accepted at the host racing association, dam-
5 ages shall be in an amount equal to that portion of
6 the takeout which would have been distributed to the
7 host State, host racing association, and the grey-
8 hound owners' group as if each such interstate off-
9 track wager had been placed at the host racing asso-
10 ciation.

11 (2) If such interstate off-track wager was of a
12 type not accepted at the host racing association, the
13 amount of damages shall be determined at the rate
14 of takeout prevailing at the off-track betting system
15 for that type of wager and shall be distributed ac-
16 cording to the same formula as in paragraph (1).

17 **SEC. 7. CIVIL ACTION.**

18 (a) **IN GENERAL.**—The host State, the host racing
19 association, or the greyhound owners' group may com-
20 mence a civil action against any person alleged to be in
21 violation of section 5, for injunctive relief to restrain viola-
22 tions and for damages in accordance with section 6.

23 (b) **PARTIES.**—In any civil action under subsection
24 (a), the host State, the host racing association, and grey-

1 hound owners' group, if not a party, shall be permitted
2 to intervene as a matter of right.

3 (c) TIME.—A civil action may not be commenced pur-
4 suant to subsection (a) more than 3 years after the discov-
5 ery of the alleged violation upon which such civil action
6 is based.

7 (d) CONSTRUCTION.—Nothing in this Act shall be
8 construed to permit a State to be sued under subsection
9 (a) other than in accordance with its applicable laws.

10 **SEC. 8. JURISDICTION AND VENUE.**

11 (a) IN GENERAL.—Notwithstanding any other provi-
12 sion of law, the district courts of the United States shall
13 have jurisdiction over any civil action under section 7 with-
14 out regard to the citizenship of the parties or the
15 amount in controversy.

16 (b) VENUE.—A civil action under section 7 may be
17 brought in any district court of the United States for a
18 district located in the host State or the off-track State
19 and all process in any such civil action may be served in
20 any judicial district of the United States.

21 (c) CONCURRENT JURISDICTION.—The jurisdiction
22 of the district courts of the United States pursuant to this
23 section shall be concurrent with that of any State court
24 of competent jurisdiction located in the host State or the
25 off-track State.

1 **SEC. 9. EFFECTIVE DATE.**

2 This Act shall take effect on the date of enactment
3 of this Act and shall apply to any interstate off-track
4 wager accepted on or after such date of enactment.

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