

**230.380 Simulcast facilities -- Restrictions and prohibitions -- Tax implications -- Percentage of wagers to local economic development -- Commissions -- Report on money expended.**

- (1) Any track licensed by the racing commission to conduct horse racing and desiring to establish a simulcast facility shall apply for and may receive approval from the racing commission for each simulcast facility. Prior to considering an application for approval of a simulcast facility, the racing commission shall notify by regular mail, each state senator, state representative, county judge/executive, and mayor in the jurisdiction in which the proposed simulcast facility is located, at least ten (10) days in advance of the racing commission meeting at which the application is to be considered or voted upon. Consideration of an application shall be based on criteria contained in administrative regulations promulgated under KRS 230.300. Approval, if granted, shall be granted for a term of one (1) calendar year.
- (2) A track or tracks may proceed with the establishment of a simulcast facility unless, within sixty (60) days of the date on which the racing commission approved the facility, the governing body of the local government jurisdiction in which the facility is to be located votes, by simple majority of those voting, to disapprove the establishment of the simulcast facility. For the purposes of this section, "governing body" means, in an incorporated area, the board of aldermen, city council or board of commissioners; in a county, the fiscal court; in an urban-county government, the urban-county council, or in a charter county, the legislative body created in accordance with KRS 67.825 to 67.875.
- (3) The racing commission shall not approve the establishment of any simulcast facility within a radius of fifty (50) miles of a licensed track. The racing commission may approve the establishment of one (1) simulcast facility within a radius of greater than fifty (50) miles but less than seventy-five (75) miles of a licensed track, but the facility shall not be approved to operate without the prior written consent of the licensed track within whose seventy-five (75) mile radius the facility is located.
- (4) The racing commission may promulgate administrative regulations as it deems appropriate to protect the integrity of pari-mutuel wagering at any simulcast facility.
- (5) Licensed tracks conducting horse racing may enter into joint agreements to establish or operate one (1) or more simulcast facilities, on terms and conditions as the participating tracks may determine. Any agreements respecting these arrangements shall be filed with the racing commission, and applications for simulcast facilities shall be filed by and licenses may be issued to, these licensed tracks by the racing commission.
- (6) A simulcast facility may be established and operated on property that is owned or leased and which is not used solely for the operation of a simulcast facility; provided however, that a simulcast facility may not be established on the premises of a lottery vendor.
- (7) A simulcast facility shall not be subject to and shall not pay any excise tax imposed pursuant to KRS 138.510, any license tax imposed under KRS 137.170, or any admission tax imposed under KRS 138.480.

- (8) One percent (1%) of all moneys wagered at a simulcast facility shall be dedicated for local economic development and shall be allocated as follows:
- (a) If a simulcast facility is located in an incorporated area, seventy-five percent (75%) shall be allocated to the governing body of the city in which the facility is located, and twenty-five percent (25%) to the governing body of the county in which the facility is located.
  - (b) If a simulcast facility is located in an unincorporated area, all moneys shall be allocated to the governing body of the county or charter county in which the facility is located.
- (9) (a) After the deduction of moneys under subsection (8), simulcast facility shall deduct a commission allowed under KRS 230.3615 with respect to all wagers made at the simulcast facility. The commission, less moneys allocated in subsection (8) of this section, shall be split as follows:
- 1. Thirty percent (30%) shall be allocated to the host track;
  - 2. Forty-six and one-half percent (46.5%) to the purse program at the host track;
  - 3. Thirteen and one-half percent (13.5%) to be retained by the track or tracks owning the simulcast facility for the purpose of application to expenses incurred in connection therewith;
  - 4. Six percent (6%) to be allocated to the Kentucky Thoroughbred Owners and Breeders, Inc., to be expended as follows:
    - a. Up to three percent (3%) for capital improvements and promotion of off-track betting; and
    - b. The remainder for marketing and promoting the Kentucky Thoroughbred industry; and
  - 5. Four percent (4%) to be allocated to the racing commission to be used for purses at county fairs in Kentucky licensed and approved by the racing commission, and for the standardbred sires stakes program established under KRS 230.770.
- (b) The commission of a simulcast facility derived from interstate wagering shall be reduced by any amounts required to be paid by contract to the host track or track conducting the live race before it is divided as set forth in this section. No simulcast facility may receive any interstate simulcast except with the approval of the live Kentucky host track.
- (c) The Kentucky Thoroughbred Owners and Breeders, Inc., shall annually report to the racing commission on all money expended in accordance with subsection (9)(a)4. of this section. The report shall be in the form required, and provide all information required by the racing commission.
- (10) Subsections (1) and (2) of this section shall also apply to the establishment by a track of a noncontiguous facility in a county in which pari-mutuel racing and wagering is not being conducted. Subsection (8) of this section shall also apply to a noncontiguous race track facility referenced in this subsection, unless there is a written agreement to the contrary between the track establishing the facility and the

governing body of the local government jurisdiction in which the facility is to be established.

**Effective:** July 15, 2010

**History:** Amended 2010 Ky. Acts ch. 24, sec. 481, effective July 15, 2010. -- Amended 2004 Ky. Acts ch. 191, sec. 37, effective July 13, 2004. -- Amended 2000 Ky. Acts ch. 447, sec. 1, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 237, sec. 1, effective July 15, 1998. -- Created 1992 Ky. Acts ch. 109, sec. 2, effective March 30, 1992.

**Legislative Research Commission Note (7/15/98).** Under KRS 7.136(1)(e), a reference to the former KRS 138.515 in subsection (9)(a) of this statute has been changed to KRS 230.3615 because of 1992 Ky. Acts ch. 109, sec. 8.