



ADMINISTRATIVE RULES OF MONTANA

8.22.2705 PURSE DISBURSEMENT FORMULA

- (1) Prior to the beginning of the live racing season, all funds collected under 23-4-202, MCA, to the board's state special revenue account, including percentages collected on live handle, winter simulcast handle, and summer simulcast handle, shall be distributed by the board to each live race meet licensed by the board. The licensees must use all funds distributed by the board for track purses except for the percentage amount set by the board for track operations or other purposes approved by the board.
- (2) The track licensees shall pay purses during the live race meet from funds distributed by the board by expending:
 - (a) first, any carryover from the previous year;
 - (b) second, winter simulcast funds designated for purses;
 - (c) third, all live handle funds; and
 - (d) fourth, all summer simulcast funds designated for purses if available to the track under (4).
- (3) All live handle funds and winter simulcast funds must be paid out as purses during each current live race meet.
- (4) Summer simulcast funds, or any portion thereof, may be carried over for use by the track licensee during the following season's live race meet if doing so will not cause current live race meet purses to fall below the previous year's purse structure. Any summer simulcast funds not used by a track licensee for the current live race meet will be retained by the board for the exclusive use of the designated track licensee, and may be carried over to be paid to the track licensee by the board prior to the following season's live race meet.
- (5) Any funds retained by the board as summer simulcast carryover will be forfeited to the board if the track licensee does not apply for or is not granted dates for the following live race season in Montana. The forfeited funds shall be distributed to the remaining live race track licensees by percentage based on amount of handle during the prior live race season. This section shall not apply if the board approves a track licensee's request to utilize all available simulcast and other funds under (6).
- (6) If a track licensee receives a jockey injury claim or claims which will require payment of additional insurance deductible amounts beyond a prepaid deductible amount required by an insurance company in advance of the race season, the track may request approval from the board to use carryover funds, winter and summer simulcast funds, and all other funds to pay the additional deductible debt. The track licensee shall specify which of the following methods it has chosen for payment of the debt:

- (a) the track licensee will cease live racing and refrain from applying for future race dates. All carryover funds then held by the board will be immediately disbursed to the track licensee for payment of the jockey injury insurance deductible debt. Any future winter and summer simulcast funds, plus all other funds collected by the board and previously earmarked for that track licensee will continue to be collected by the board and disbursed to that track licensee on a payment schedule selected by the track licensee until the insurance deductible debt is paid in full. The board will then cease collecting or earmarking funds of any type for that track licensee and will redistribute these funds among the remaining live race track licensees; or
- (b) the track licensee will continue its live racing program and will apply for future race dates. Any carryover funds, plus future winter and summer simulcast funds, plus all other funds collected by the board and earmarked for that track licensee will continue to be collected by the board and disbursed on a payment schedule selected by the track licensee until the insurance deductible debt is paid in full. The amounts disbursed for payment of the insurance deductible debt will be deducted from the purse and operations amounts disbursed by the board to that track licensee prior to the track licensee's live race season.

Authorizing statute(s): 23-4-104, 23-4-202, MCA

Implementing statute(s): 23-4-302, 23-4-304, MCA

History: NEW, 2005 MAR p. 383, Eff. 3/18/05; AMD, 2006 MAR p. 1284, Eff. 5/19/06; TRANS, from 32.28.505, 2015 MAR p. 2252, Eff. 12/25/15; AMD, 2020 MAR p. 777, Eff. 5/1/20.