

HOUSE BILL 509

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

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AN ACT

RELATING TO HORSE RACING; REVISING DEFINITIONS IN THE HORSE RACING ACT; ALLOWING THE STATE RACING COMMISSION TO INVESTIGATE THE OPERATION OF A PUBLIC HORSE RACE OR A RACE MEET FOR PROFIT OR GAIN.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 60-1A-2 NMSA 1978 (being Laws 2007, Chapter 39, Section 2) is amended to read:

"60-1A-2. DEFINITIONS.--As used in the Horse Racing Act:

- A. "board" means the gaming control board;
- B. "breakage" means the odd cents by which the amount payable on each dollar wagered exceeds a multiple of ten;
- C. "commission" means the state racing commission;
- D. "exotic wagering" means all wagering other than

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1 on win, place or show, through pari-mutuel wagering;

2 E. "export" means to send a live audiovisual
3 broadcast of a horse race in the process of being run at a
4 horse racetrack from the originating horse racetrack to another
5 location;

6 F. "guest state" means a jurisdiction, other than
7 the jurisdiction in which a horse race is run, in which a horse
8 racetrack, off-track wagering facility or other facility that
9 is a member of and subject to an interstate common pool is
10 located;

11 G. "guest track" means a horse racetrack, off-track
12 wagering facility or other licensed facility in a location
13 other than the state in which a horse race is run that is a
14 member of and subject to an interstate common pool;

15 H. "handle" means the total of all pari-mutuel
16 wagering sales, excluding refunds and cancellations;

17 I. "horse race" means a competition among
18 [~~racehorses~~] horses on a predetermined course in which the
19 horse completing the course in the least amount of time
20 generally wins;

21 J. "host state" means the jurisdiction within which
22 a sending track is located, also known as a "sending state";

23 K. "host track" means the horse racetrack from
24 which a horse race subject to an interstate common pool is
25 transmitted to members of that interstate common pool, also

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1 known as a "sending track";

2 L. "import" means to receive a live audiovisual
3 broadcast of a horse race;

4 M. "interstate common pool" means a pari-mutuel
5 pool that combines comparable pari-mutuel pools from one or
6 more locations that accept wagers on a horse race run at a
7 sending track for purposes of establishing payoff prices at the
8 pool members' locations, including pools in which pool members
9 from more than one state simultaneously combine pari-mutuel
10 pools to form an interstate common pool;

11 N. "jockey club" means an organization that
12 administers thoroughbred registration records and registers
13 thoroughbreds;

14 O. "licensed premises" means land, together with
15 all buildings, other improvements and personal property located
16 on the land, that is under the direct control of a racetrack
17 licensee, including the restricted areas, grandstand and public
18 parking areas;

19 P. "licensee" means a person licensed by the
20 commission and includes a holder of an occupational, secondary
21 or racetrack license;

22 Q. "occupational license" means a license issued by
23 the commission to a vendor or to a person having access to a
24 restricted area on the licensed premises, including a horse
25 owner, trainer, jockey, agent, apprentice, groom, exercise

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1 person, veterinarian, valet, farrier, starter, clocker, racing
2 secretary, pari-mutuel clerk and other personnel designated by
3 the commission whose work, in whole or in part, is conducted
4 around racehorses or pari-mutuel betting windows;

5 R. "pari-mutuel wagering" means a system of
6 wagering in which bets on a live or simulcast horse race are
7 pooled and held by the racetrack licensee for distribution of
8 the total amount, less the deductions authorized by law, to
9 holders of winning tickets; "pari-mutuel wagering" does not
10 include bookmaking or pool selling;

11 S. "pari-mutuel wagering pool" means the money
12 wagered on a specific horse race through pari-mutuel wagering;

13 T. "practical breeder" means a person who has
14 practical experience in breeding horses, although the person
15 may not be actively involved in breeding horses;

16 U. "primary residence" means the domicile where a
17 person resides for most of the year, and, if the person is
18 temporarily out of state, the address where a person will
19 return when the person returns to New Mexico or the address
20 that a person uses for purposes of a driver's license, passport
21 or voting;

22 V. "quarter horse" means a racehorse that is
23 registered with the American quarter horse association or any
24 successor association;

25 W. "race meet" means a period of time within dates

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1 specified by the commission in which a racetrack licensee is
2 authorized to conduct live racing on the racing grounds;

3 X. "racehorse" means [~~a quarter horse or~~
4 ~~thoroughbred that is bred and trained to compete in horse~~
5 ~~races~~] any horse engaged in a horse race as defined in the
6 Horse Racing Act;

7 Y. "racetrack license" means a license to conduct
8 horse races issued by the commission;

9 Z. "racetrack licensee" means a person who has been
10 issued a racetrack license;

11 AA. "racing grounds" means the area of the
12 restricted area of licensed premises used for the purpose of
13 conducting horse races and all activities ancillary to the
14 conduct of horse races, including the track, stable area,
15 jockey's quarters and horse training areas;

16 BB. "retainage" means money that is retained from
17 wagers on win, place and show and on exotic wagers by a
18 racetrack licensee pursuant to the Horse Racing Act;

19 CC. "restricted areas" means the stable area, the
20 area behind the pari-mutuel betting windows and anywhere on the
21 racing grounds;

22 DD. "secondary licensee" means all officers,
23 directors, shareholders, lenders or holders of evidence of
24 indebtedness of a corporation or legal entity owning a horse
25 racetrack, and all persons holding a direct or indirect

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1 interest of any nature whatsoever in the horse racetrack,
2 including interests or positions that deal with the funds of
3 the racetrack or that are administrative, policymaking or
4 supervisory;

5 EE. "simulcast" means a transmission of a live
6 audiovisual broadcast of a horse race being run at a horse
7 racetrack other than the horse racetrack or other licensed
8 facility at which the broadcast is being received for viewing
9 pursuant to a simulcasting contract;

10 FF. "stakes race" means a horse race in which
11 nominations or entry or starting fees contribute to the purse;
12 an overnight race is not a stakes race;

13 GG. "steward" means an employee of the commission
14 who supervises horse races and oversees a race meet while in
15 progress, including holding hearings regarding licensees and
16 enforcing the rules of the commission and the horse racetrack;

17 HH. "takeout" means amounts authorized by statute
18 to be deducted from the pari-mutuel wagers;

19 II. "thoroughbred" means a racehorse that is
20 registered with the jockey club;

21 JJ. "track" means the surfaced oval area on which
22 horse races are conducted; and

23 KK. "vendor" means a person who provides goods or
24 services to or in the racing grounds or restricted area of the
25 licensed premises of a horse racetrack."

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1 SECTION 2. Section 60-1A-4 NMSA 1978 (being Laws 2007,
2 Chapter 39, Section 4) is amended to read:

3 "60-1A-4. COMMISSION--POWERS--DUTIES.--

4 A. The commission may:

5 (1) grant, deny, suspend or revoke
6 occupational licenses, secondary licenses and racetrack
7 licenses, establish the terms for each classification of a
8 racetrack license and set fees for submitting an application
9 for a license;

10 (2) exclude or compel the exclusion of a
11 person from all horse racetracks who the commission deems
12 detrimental to the best interests of horse racing or who
13 willfully violates the Horse Racing Act, a rule or order of the
14 commission or a law of the United States or New Mexico;

15 (3) compel the production of documents, books
16 and tangible items, including documents showing the receipts
17 and disbursements of a racetrack licensee;

18 (4) investigate the operations of a licensee
19 and place a designated representative on the licensed premises
20 of a racetrack licensee for the purpose of observing compliance
21 with the Horse Racing Act and rules or orders of the
22 commission;

23 (5) investigate the operation of a public
24 horse race or a race meet for profit or gain suspected to be
25 operating in violation of Subsection A of Section 60-1A-8 NMSA

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1 1978 in conjunction with an official investigation being
2 conducted by a law enforcement agency;

3 [~~5~~] (6) employ staff as required to
4 administer the Horse Racing Act and employ staff with basic law
5 enforcement training to be stationed at racetracks to maintain
6 peace and order, enforce the law, conduct investigations and
7 enforce the Horse Racing Act or rules or orders of the
8 commission; provided that staff employed with law enforcement
9 training may not carry firearms or other deadly weapons while
10 on duty for the commission;

11 [~~6~~] (7) summon witnesses;

12 [~~7~~] (8) administer oaths for the effective
13 discharge of the commission's authority; and

14 [~~8~~] (9) appoint a hearing officer to conduct
15 hearings required by the Horse Racing Act or a rule adopted
16 pursuant to that act.

17 B. The commission shall:

18 (1) make rules to hold, conduct and operate
19 all race meets and horse races held in the state and to
20 identify and assign racing dates;

21 (2) require the following information for each
22 applicant on an application for a license:

23 (a) the full name, address and contact
24 information of the applicant, and if the applicant is a
25 corporation, the name of the state of incorporation and the

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1 names, addresses and contact information of officers, members
2 of the board of directors and managers of the corporation;

3 (b) the exact location at which the
4 applicant desires to conduct a horse race or race meet;

5 (c) whether the horse racetrack is owned
6 or leased, and, if leased, the name and residence of the fee
7 owner of the land or, if the owner is a corporation, the names
8 of the directors and stockholders;

9 (d) a statement of the assets and
10 liabilities of the person or corporation making the
11 application;

12 (e) the kind of racing to be conducted;

13 (f) the beginning and ending dates
14 desired for the race meet and the days during that time period
15 when horse races are to be scheduled; and

16 (g) other information determined by the
17 commission to be necessary to assess the potential for success
18 of the applicant;

19 (3) require a statement under oath by the
20 applicant that the information on the application is true;

21 (4) supervise and oversee the making of pari-
22 mutuel pools and the distribution from those pools;

23 (5) make on-site inspections of horse
24 racetracks in New Mexico at reasonable intervals;

25 (6) approve all improvements proposed to be

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1 completed on the licensed premises of a horse racetrack,
2 including extensions, additions or improvements of buildings,
3 stables or tracks;

4 (7) monitor and oversee the pari-mutuel
5 machines and equipment at all horse races or race meets held in
6 the state;

7 (8) approve contracts for simulcasting, pari-
8 mutuel wagering and capital improvements funded pursuant to
9 Section 60-1A-20 NMSA 1978 entered into by horse racetracks;

10 (9) regulate the size of the purses to be
11 offered at horse races run in the state;

12 (10) require background investigations of
13 employees of a racetrack licensee as set forth in the rules of
14 the commission; and

15 (11) provide an annual report to the governor
16 regarding the commission's administration of horse racing in
17 the state."