

1 SENATE BILL 625

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

4 Linda M. Lopez and Elizabeth "Liz" Stefanics

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10 AN ACT

11 RELATING TO GAMING; REQUIRING A MINIMUM NUMBER OF LIVE RACES
12 THAT RACETRACKS CONDUCT; PROVIDING DUE PROCESS TO CERTAIN
13 LICENSEES.

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

16 SECTION 1. Section 60-2E-27 NMSA 1978 (being Laws 1997,
17 Chapter 190, Section 29, as amended) is amended to read:

18 "60-2E-27. GAMING OPERATOR LICENSEES--SPECIAL CONDITIONS
19 FOR RACETRACKS--NUMBER OF GAMING MACHINES--[~~DAYS~~] RACES AND
20 HOURS OF OPERATIONS.--

21 A. A racetrack licensed by the state racing
22 commission pursuant to the Horse Racing Act to conduct live
23 horse races or simulcast races may be issued a gaming
24 operator's license to operate gaming machines on its premises
25 where live racing is conducted.

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1 B. A racetrack's gaming operator's license shall
2 automatically become void if the racetrack:

3 (1) [~~the racetrack~~] no longer holds an active
4 license to conduct pari-mutuel wagering;

5 ~~[(2) the racetrack paid gaming tax to the
6 state on its net take in an amount greater than eight million
7 dollars (\$8,000,000) in the prior fiscal year pursuant to
8 Section 60-2E-47 NMSA 1978 and fails to maintain a minimum of
9 four live race days a week with at least nine live races on
10 each race day during its licensed race meet, except as provided
11 in Subsection F of this section; or~~

12 ~~(3) the racetrack paid gaming tax to the state
13 on its net take in an amount equal to eight million dollars
14 (\$8,000,000) or less in the prior fiscal year pursuant to
15 Section 60-2E-47 NMSA 1978 and fails to maintain a minimum of
16 three live race days a week with at least ten live races on
17 each day during its licensed race meets, except as provided in
18 Subsection F of this section.]~~

19 (2) excludes a licensee without due process
20 and the approval of the state racing commission; or

21 (3) fails to maintain daily racing cards with
22 sixty percent thoroughbred horse races of which two races per
23 day are restricted to New Mexico-bred horses, and forty percent
24 quarter horse races of which two races per day are restricted
25 to New Mexico-bred horses.

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1 C. Unless a larger number is allowed pursuant to
2 Subsection D of this section, a gaming operator licensee that
3 is a racetrack may have up to six hundred licensed gaming
4 machines.

5 D. By execution of an allocation agreement, signed
6 by both the allocating racetrack and the racetrack to which the
7 allocation is made, a gaming operator licensee that is a
8 racetrack may allocate any number of its authorized gaming
9 machines to another gaming operator licensee that is a
10 racetrack. To be valid, the allocation agreement must bear the
11 written approval of the board and the state racing commission,
12 and this approval shall make specific reference to the meeting
13 at which the action of approval was taken and the number of
14 votes cast both for and against the approval. By allocating a
15 number of its authorized machines to another racetrack, the
16 allocating racetrack automatically surrenders all rights to
17 operate the number of machines allocated. No racetrack shall
18 operate or be authorized to operate more than seven hundred
19 fifty gaming machines.

20 E. Gaming machines on a racetrack gaming operator
21 licensee's premises may be played only on days when the
22 racetrack is either conducting live horse races or simulcasting
23 horse race meets. On days when gaming machines are permitted
24 to be operated, a racetrack gaming operator licensee may offer
25 gaming machines for operation for up to eighteen hours per day;

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1 provided that the total number of hours in which gaming
2 machines are operated does not exceed one hundred twelve hours
3 in a one-week period beginning on Tuesday at 8:00 a.m. and
4 ending at 8:00 a.m. on the following Tuesday. A racetrack
5 gaming operator licensee may offer gaming machines for play at
6 any time during a day; provided that the total hours of
7 operation in each day from just after midnight of the previous
8 day until midnight of the current day does not exceed eighteen
9 hours. A racetrack gaming operator licensee shall determine,
10 within the limitations imposed by this subsection, the hours it
11 will offer gaming machines for operation each day and shall
12 notify the board in writing of those hours.

13 F. ~~[Maintaining fewer live race days or fewer live~~
14 ~~races on each race day during a licensed race meet does not~~
15 ~~constitute a failure to maintain the minimum number of live~~
16 ~~race days or races as required by Paragraphs (2) and (3) of~~
17 ~~Subsection B of this section]~~ Each year, the state racing
18 commission shall approve a set number of races to be held at
19 the racetrack of each racetrack gaming operator licensee. If
20 there are five racetrack gaming operator licensees, the
21 commission shall approve no fewer than three thousand races in
22 aggregate annually at the five racetracks. If there are six
23 racetrack gaming operator licensees, the commission shall
24 approve no fewer than three thousand five hundred races in
25 aggregate annually at the six racetracks. Except as provided

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1 in this subsection, if a racetrack gaming operator licensee
2 fails to hold, in any year, at least the number of races set by
3 the commission for that year, the commission shall issue a
4 notice of noncompliance to the racetrack and the board shall
5 revoke the racetrack's gaming operator's license. The failure
6 of a racetrack gaming operator licensee to hold, in any year,
7 at least the number of races set by the state racing commission
8 for that year shall not automatically cause the racetrack's
9 gaming operator's license to become void or revoked if the
10 licensee submits to the board written approval by the state
11 racing commission for the licensee to vary the minimum number
12 of [~~live race days or~~] races, and the variance is due to:

13 (1) the inability of a racetrack gaming
14 operator licensee to fill races as published in the licensee's
15 condition book as long as the same type of canceled race is run
16 within the following two race weeks as the race season permits;

17 (2) severe weather or other act, event or
18 occurrence resulting from natural forces;

19 (3) a strike or work stoppage by jockeys or
20 other persons necessary to conduct a race or meet;

21 (4) a power outage, electrical failure or
22 failure or unavailability of any equipment or supplies
23 necessary to conduct a race or meet;

24 (5) hazardous conditions or other threats to
25 the public health or safety; or

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1 (6) any other act, event or occurrence that
2 the board finds is not within the control of the licensee even
3 with the exercise of reasonable diligence or care.

4 G. Alcoholic beverages shall not be sold, served,
5 delivered or consumed in the area restricted pursuant to
6 Subsection F of Section 60-2E-26 NMSA 1978."