Second Regular Session Sixty-ninth General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House

LLS NO. 14-0394.01 Jennifer Berman x3286

HOUSE BILL 14-1146

HOUSE SPONSORSHIP

Becker,

SENATE SPONSORSHIP

Tochtrop,

House Committees

Senate Committees

Business, Labor, Economic, & Workforce Development Business, Labor, & Technology

A BILL FOR AN ACT

101 CONCERNING A PROHIBITION AGAINST GREYHOUND RACING IN COLORADO.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Under current law, greyhound racing is permitted in Colorado. The bill prohibits greyhound racing in Colorado but maintains the practice of wagering on greyhound races that are held at race tracks in other states and are simultaneously broadcast at race tracks in Colorado.

SENATE d Reading Unamended February 20, 2014

HOUSE 3rd Reading Unamended February 6, 2014

HOUSE Amended 2nd Reading February 5, 2014

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 12-60-102, amend
3	(6), (13), (14) (a) (IV), (22), (24), and (26); and repeal (10) and (14) (a)
4	(II) as follows:
5	12-60-102. Definitions. As used in this article, unless the context
6	otherwise requires:
7	(6) "Cross simulcasting" means either the receipt of a simulcast
8	race of horses by a simulcast facility which is located on the premises of
9	a track which is licensed to race greyhounds or the receipt of a simulcast
10	race of greyhounds AT AN OUT-OF-STATE HOST TRACK by a simulcast
11	facility which THAT is located on the premises of a track which THAT is
12	licensed to race horses.
13	(10) "Greyhound track" means a track, located within the state of
14	Colorado, at which a race meet of greyhounds is conducted.
15	(13) "In-state host track" means a track, located within the state
16	of Colorado, at which a race meet of either horses or greyhounds is
17	conducted.
18	(14) (a) "In-state simulcast facility" means:
19	(II) A greyhound track at which a licensee has held within the
20	preceding twelve months or is licensed and scheduled to hold within the
21	following twelve months a greyhound race meet of at least sixty race
22	days;
23	(IV) An additional facility that is operated by and is the
24	responsibility of the licensee of a class B horse track, or greyhound track,
25	located in Colorado, and used for the handling of wagers placed on
26	simulcast races received by such THE track or facility. The number of

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such additional facilities shall not CANNOT exceed the total number of facilities licensed to hold a race meet in 2003 plus one additional facility per licensee as authorized under this article. Such THE additional facilities shall MUST be licensed in accordance with section 12-60-504 and shall MUST not be located within fifty miles of any class B horse track or greyhound track operated by another licensee without the written consent of such THE other licensee. The commission shall establish by rule the means of obtaining such THE consent.

- (22) "Race meet" means any live exhibition of racing involving horses registered within their breed, or greyhounds, conducted at a track located within the state of Colorado and operated by a licensee under a license granted pursuant to section 12-60-505, where the pari-mutuel system of wagering is used.
- (24) "Simulcast race" means a live, audio-visual broadcast, transmitted simultaneously with EITHER the performance of a live race of horses or greyhounds by either an out-of-state host track or THE PERFORMANCE OF A LIVE RACE OF HORSES BY an in-state host track, which THAT is received by a simulcast facility.
- (26) "Track" or "racetrack" means a track which THAT is located within the state of Colorado and at which a race meet of either horses or greyhounds is conducted under a license granted pursuant to section 12-60-505.
- SECTION 2. In Colorado Revised Statutes, 12-60-401, amend
 (1) introductory portion and (1) (a) as follows:
 - 12-60-401. Director and commission members position of trust conflicts of interest. (1) Appointment to the commission or to the position of director or employment in the division of racing events is

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declared to be a position of public trust, and therefore, in order to ensure the confidence of the people of the state in the integrity of the division and the commission, the director and members of the commission and the employees of the division shall be ARE subject to this section. While serving as director or as a member of the commission or while employed by the division, no person nor any member of such THE person's immediate family shall:

(a) Hold any pecuniary interest in any racetrack operating within the state of Colorado nor in any kennel, stable, compound, or farm that houses animals licensed or registered to race within the state of Colorado;

SECTION 3. In Colorado Revised Statutes, 12-60-501, **amend** (1) (a) and (2) (a) as follows:

12-60-501. Regulation of race meets and racing-related businesses. (1) (a) The commission shall license and regulate all race meets with pari-mutuel wagering held in this state at which horses or greyhounds participate, and shall cause the places where such THE race meets are held to be visited and inspected at least once a year by its members or employees, and shall require all such places to be constructed, maintained, and operated in accordance with the laws of this state and the rules of the commission.

(2) (a) In particular, the commission shall, at its own expense, regulate the operations of pari-mutuel machines and equipment, the operations of all money rooms, accounting rooms, and sellers' and cashiers' windows, and the weighing of jockeys, and of greyhounds, and shall take or cause to be taken saliva, urine, blood, or other body fluid samples or biopsy or necropsy specimens from horses and greyhounds selected by the commission or its employees at race meets provided for

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under this article or when concerns are raised as to a particular animal, including but not limited to the winner of a race, and shall test and determine such THE samples or specimens or cause such THE samples or specimens to be tested and determined. For such THOSE purposes, the commission, at its expense and in addition to other employees, shall employ or contract with competent veterinary doctors, accountants, chemists, and other persons necessary to supervise the conduct of race meets and to ascertain that this article and the rules of the commission are strictly complied with. The commission shall also seek innovative and efficient methods of testing animals for prohibited drugs and medication, while ensuring animal safety and maintaining the integrity of racing. Through its bidding process, the commission shall invite laboratories to include proposals for testing procedures and methods that would maintain or improve the effectiveness of test results and minimize testing cost incurred by the state or the racing industry.

SECTION 4. In Colorado Revised Statutes, 12-60-503, **amend** (2) (a) as follows:

12-60-503. Rules of commission - licensing. (2) (a) Every person holding a license or registration under this article, every person operating an in-state simulcast facility, and every owner or trainer of any horse or greyhound licensed to enter any ENTERED IN A racing contest under this article shall comply with all THE COMMISSION'S rules and orders. issued by the commission. It is unlawful for any A person to work upon the premises of a racetrack without first obtaining from the commission a license or registration for such activity. UNDER THIS ARTICLE; EXCEPT THAT the commission may waive this licensing or registration requirement for such occupational categories as THAT the

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commission, in its discretion, deems unnecessary to be licensed or registered. This licensing or registration requirement does not apply to the members of the commission or its employees or to persons whose only participation is individually as spectator or bettor. It is unlawful for any A person who owns or leases a racing animal to allow such THE animal to race in this state without first obtaining an owner's license or registration from the commission, as prescribed by the rules of the commission. The commission in its discretion may extend the validity of any A license issued for a period not to exceed three years, and the fee for such THE license shall be increased proportionately; except that no temporary license or registration shall MAY be issued for a period longer than ninety days. It is unlawful for any A person to hold any A race meet with pari-mutuel wagering without obtaining a license therefor FOR PARI-MUTUEL WAGERING. It is unlawful for any A person to operate an in-state simulcast facility unless that person is a licensee that has been licensed within the year to hold a race meet or is a licensee that has a written simulcast racing agreement with the in-state host track or out-of-state host track from which the simulcast race is broadcast and has filed a copy of the written simulcast racing agreement with the commission prior to operation BEFORE OPERATING as an in-state simulcast facility. **SECTION 5.** In Colorado Revised Statutes, 12-60-509, repeal (2.5) as follows: 12-60-509. Liability insurance - bond for race meets. (2.5) (a) Notwithstanding the provisions of subsection (2) of this section, every person licensed to conduct a race meet other than a horse race meet

who has been licensed in this state for five consecutive years and who,

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during this period, has not had any actions on the bond or other evidence demonstrating a lack of financial responsibility required in subsection (2) of this section may be exempted from the requirement to file such bond or other evidence of financial responsibility.

(b) If any actions are subsequently brought against the licensee, the commission may reinstate the requirement of a bond or any other evidence of financial responsibility meeting the requirements of section 11-35-101, C.R.S.

SECTION 6. In Colorado Revised Statutes, 12-60-511, **amend** (5) (b); and **repeal** (2) as follows:

12-60-511. Eligibility to operate race meets - renewal or revocation. (2) A license shall not be issued for the racing of greyhounds within forty miles of any other racing operation licensed under this article for the racing of greyhounds. This provision shall not apply to races conducted by any state, county, or other fair association holding not more than one race meet annually for a period not exceeding six days.

(5) (b) Except as otherwise provided in this article, in its sound discretion, the commission may allot different dates for race meets, different dates for racing within a race meet, and a different number of races on such THE dates from those requested in the application for renewal. In making such ITS allotment of dates, the commission shall do so in its sound discretion and shall endeavor to allot to each applicant the dates requested BY THE APPLICANT in the respective applications so filed by the applicants APPLICATION, after giving due consideration to all factors involved, including the interests of the respective applicants APPLICANT and the public and the best interests of racing. and avoiding, IN ITS ALLOTMENT OF DATES, THE COMMISSION SHALL ALSO ENDEAVOR,

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whenever possible, conflicts in live greyhound race dates between
greyhound tracks or TO AVOID a conflict in live horse race dates between
class A tracks or between class B tracks located within fifty miles of each
other; except that the commission may allot dates to a state, county, or
other fair commission or association holding not more than one race meet
annually for a period not exceeding six days, notwithstanding DESPITE
THE FACT that such THE dates conflict with the dates allotted to another
applicant conducting live HORSE racing. of the same type of animals.
When the granting of requested initial or renewal race dates would result
in a conflict, the commission in its discretion, may grant race dates so as
to avoid such conflict to the extent possible, giving preference to requests
for race dates from license applicants whose licensed race meet in the
previous year included such race THE SAME dates.
SECTION 7. In Colorado Revised Statutes, 12-60-602, amend
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(5) (a) (III) and (5) (a) (IV); and repeal (3), (5) (a) (I), and (5) (a) (II) as
(5) (a) (III) and (5) (a) (IV); and repeal (3), (5) (a) (I), and (5) (a) (II) as follows:
follows:
follows: 12-60-602. Simulcast facilities and simulcast races - unlawful
follows: 12-60-602. Simulcast facilities and simulcast races - unlawful act - repeal. (3) A race meet of greyhounds which is conducted at an
follows: 12-60-602. Simulcast facilities and simulcast races - unlawful act - repeal. (3) A race meet of greyhounds which is conducted at an in-state host track may be received as a simulcast race by any simulcast
follows: 12-60-602. Simulcast facilities and simulcast races - unlawful act - repeal. (3) A race meet of greyhounds which is conducted at an in-state host track may be received as a simulcast race by any simulcast facility; except that, notwithstanding any consent granted pursuant to the
follows: 12-60-602. Simulcast facilities and simulcast races - unlawful act - repeal. (3) A race meet of greyhounds which is conducted at an in-state host track may be received as a simulcast race by any simulcast facility; except that, notwithstanding any consent granted pursuant to the provisions of section 12-60-102 (14), an in-state simulcast facility which
12-60-602. Simulcast facilities and simulcast races - unlawful act - repeal. (3) A race meet of greyhounds which is conducted at an in-state host track may be received as a simulcast race by any simulcast facility; except that, notwithstanding any consent granted pursuant to the provisions of section 12-60-102 (14), an in-state simulcast facility which is located within fifty miles of a greyhound track may not receive
12-60-602. Simulcast facilities and simulcast races - unlawful act - repeal. (3) A race meet of greyhounds which is conducted at an in-state host track may be received as a simulcast race by any simulcast facility; except that, notwithstanding any consent granted pursuant to the provisions of section 12-60-102 (14), an in-state simulcast facility which is located within fifty miles of a greyhound track may not receive simulcast races of greyhounds on any day on which such greyhound track

(B) of this subparagraph (I), an in-state simulcast facility that is located

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on the premises of a greyhound track that is currently conducting a live race meet may receive up to seven days of simulcast greyhound races from out-of-state host tracks during any week in which a total of five days of live greyhound racing of at least ten races each day are conducted in Colorado by one or more licensees. Such total includes, and is not in addition to, the days on which live racing is held. Any live race day that is canceled by the division due to weather or other unusual conditions shall be credited toward the five-day minimum if at least ten races were scheduled on that day. Thanksgiving day and Christmas day shall be credited toward the five-day minimum.

- (B) The commission may grant an exception to any of the requirements set forth in sub-subparagraph (A) of this subparagraph (I) upon the request of a licensee authorized to conduct live greyhound racing and with the consent of the organization representing the majority of the kennel operators at that licensed greyhound track if such organization exists at the time, or the group representing the majority of greyhound operators as of January 1, 2008.
- (II) On any day on which an in-state simulcast facility receives greyhound simulcast races from an out-of-state host track and on which one or more in-state host tracks are running live greyhound races, such in-state simulcast facility shall receive and conduct pari-mutuel wagering on the broadcast signal of simulcast greyhound races conducted at the in-state host tracks, if such broadcast signal is made available to it on usual and customary terms and conditions, including price.
- (III) An in-state simulcast facility that is not located on the premises of a greyhound track conducting a live race meet may receive a broadcast signal of simulcast greyhound races and conduct pari-mutuel

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wagering on the broadcast signal of such greyhound races conducted at an out-of-state host track only through an in-state simulcast facility that is located on the premises of a greyhound track conducting a live race meet. If there is no greyhound track conducting a live race meet, an in-state simulcast may, to and including June 30, 2016, and subject to the commission's approval, receive the broadcast signal of greyhounds from an out-of-state host track and conduct pari-mutuel wagering on such THE signal through an in-state simulcast facility located on the premises of a class B track that has conducted, or is scheduled to conduct during the next twelve months, a live race meet of horses of at least the duration required for a class B track.

(IV) Five percent THE SPECIFIED PORTIONS of the gross receipts from pari-mutuel wagers placed at an in-state simulcast facility on simulcast greyhound races shall be deposited into the purse fund at the track hosting the current live greyhound meet through which the in-state simulcast facility receives the broadcast signal and distributed consistently with section 12-60-702 (1) (d.5), (1) (e) (I), and (1) (e) (II); except that, if a signal is BEING HELD ON OUT-OF-STATE HOST TRACKS FROM SIGNALS received through a class B track gross receipts shall be distributed in accordance with section 12-60-701 (2).

SECTION 8. In Colorado Revised Statutes, 12-60-603, **amend** (1); and **repeal** (2) (b), (2) (c), and (2) (d) as follows:

12-60-603. Duration of meets. (1) (a) It is unlawful to conduct any race meet at which wagering is permitted except under the provisions of this article. It is lawful to conduct pari-mutuel wagering on live horse or greyhound races that are part of a race meet licensed and conducted pursuant to UNDER this article. The duration of any A horse race meet at

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a class B track shall be is as specified in section 12-60-102 (4); except that the commission may prescribe a lesser number of race days in the event of unforeseen circumstances or acts of God.

- (b) A race day is any period of twenty-four hours beginning at 12 midnight Colorado time and included in the period of a race meet and upon which day live racing is held. Dark days within a race meet shall ARE not be counted as race days. Days on which an in-state simulcast facility which THAT is a track receives simulcast races but does not conduct live races shall ARE not be counted as race days. Subject to the provisions of this article, the COMMISSION SHALL DETERMINE THE number and kind of race meets to be held at any one track; shall be determined by the commission; however, race meet days for both horses and greyhounds shall be ARE permitted on Sundays. except that no live Sunday greyhound racing shall be permitted while live horse racing is in progress at any horse track within forty miles.
- (c) In order to promote live racing of both horses and greyhounds throughout the state of Colorado, the commission, when determining the number and kind of race meets held and the dates and times of races held at such race meets, may take into consideration the interests of the racing industry as a whole throughout the state but shall give particular consideration to the racing dates and times requested by or assigned to the following:
 - (I) In the case of greyhound tracks, other greyhound tracks;
- (II) In the case of class A tracks, other class A tracks; and
- 25 (III) In the case of class B tracks, other class B tracks.
 - (d) The commission shall determine, consistent with all other provisions of this article, the total number of races conducted and

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performances held during any A race meet.

- (2) (b) The commission shall license greyhound tracks for race meets of a duration of up to one hundred eighty consecutive days unless the license applicant, in its application, requests nonconsecutive days or a shorter period.
- (c) Each greyhound track shall be licensed by the commission to conduct only one race meet in any twelve-month period. Upon approval by the commission, a licensed greyhound track shall be permitted to contract with another licensed greyhound track to conduct part or all of the race meet days granted it at such other greyhound track; except that, unless the transferring greyhound track operates a race meet, without any transfer of race days, at its home greyhound track during the twelve-month period immediately following the last race meet day so transferred, such transferred race dates in such following twelve-month period shall be assigned by the commission to the transferee greyhound track, in addition to the race meet dates of the transferee greyhound track that are otherwise authorized pursuant to this subsection (2), upon application by the transferee greyhound track for such race dates if the transferee greyhound track otherwise meets all requirements for conducting a greyhound race meet.
- (d) The commission shall schedule race meets of greyhounds so that there is a race meet, but not more than one race meet, being conducted at all times; except that race meets of greyhounds may be scheduled to run concurrently if the greyhound tracks running the concurrent meets are not closer to each other than one hundred miles.

SECTION 9. In Colorado Revised Statutes, **add** 12-60-604 as follows:

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1	12-60-604. Greyhound racing prohibited. NO LIVE GREYHOUND
2	RACING INVOLVING THE BETTING OR WAGERING ON THE SPEED OR ABILITY
3	OF THE GREYHOUNDS RACING SHALL BE CONDUCTED IN COLORADO. THE
4	COMMISSION SHALL NOT ACCEPT OR APPROVE AN APPLICATION OR
5	REQUEST FOR RACE DATES FOR LIVE GREYHOUND RACING IN COLORADO.
6	SECTION 10. In Colorado Revised Statutes, 12-60-702, amend
7	(1) (e) (II), (1) (f) introductory portion, and (1) (j); and repeal (1) (d.5),
8	(1) (e) (I), (1) (f) (II), and (1) (i) as follows:
9	12-60-702. Unlawful to wager - exception - excess - taxes -
10	special provisions for simulcast races. (1) (d.5) For each greyhound
11	race meet it conducts, a licensee shall file with its license application with
12	the commission an agreement between such licensee and the organization
13	which represents the majority of kennel owners participating at such race
14	meet. Such agreement shall specify the purse structure which shall apply
15	to the races conducted at such greyhound race meet.
16	(e) (I) Each licensee for the racing of greyhounds shall pay on a
17	weekly basis as purses for the races in any greyhound race meet
18	conducted at its in-state host track five percent of the gross receipts from
19	all pari-mutuel wagering on such races.
20	(II) Each operator of an in-state simulcast facility that receives
21	simulcast races of horses from either an in-state host track or an
22	OUT-OF-STATE HOST TRACK, or OF greyhounds FROM AN OUT-OF-STATE
23	HOST TRACK, shall pay to purse funds for the racing of horses or
24	greyhounds respectively, depending on the animals represented by the
25	licensee providing each simulcast race, and to the in-state or out-of-state
26	tracks and simulcast facilities described in the simulcast agreement filed
27	with the commission, the percentages of the gross pari-mutuel wagering

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on the simulcast races, after deduction of any A signal fee required by an out-of-state host track or an in-state host track, paid during the current year or any A previous year, and the applicable amounts specified in paragraph (b) of subsection (2) of this section, in section 12-60-701 (1), (2) (a), (2) (b), and (2) (c), and in section 12-60-704 (2), as specified in the simulcast agreement. In the case of pari-mutuel wagers on greyhound simulcast signals received by a class B track FROM AN OUT-OF-STATE HOST TRACK, the operator shall deposit the amounts payable pursuant to section 12-60-701 (2) (a) (II) (B) into a trust account for distribution, in accordance with rules of the commission, either as purses for live greyhound races in Colorado or, if there is no live greyhound racing in Colorado, to greyhound welfare and adoption organizations.

- (f) A LICENSEE OR OPERATOR SHALL RETAIN horse purse funds, and greyhound purse funds, including funds established in section 12-60-704, payable by a THE licensee or an operator pursuant to UNDER this section shall be retained by such licensee or operator in a trust account in a commercial bank located in Colorado until such date as the purse funds are paid to the horse or greyhound owners or to the host track for payment to the horse or greyhound owners; except that:
- (II) The breakage at any greyhound race meet shall be retained by the licensee under whose license such greyhound race meet was held.
- (i) The proceeds derived from all unclaimed pari-mutuel tickets for each greyhound race meet shall be retained by the licensee under whose license such greyhound race meet was held and, after a period of one year following the end of such race meet, shall revert and belong to such licensee and shall be used by the licensee for capital improvements to the track at which the race meet was held.

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(j) AN OPERATOR OF AN IN-STATE SIMULCAST FACILITY SHALL
RETAIN the proceeds derived from all unclaimed pari-mutuel tickets for
each simulcast race of greyhounds received by an in-state simulcast
facility shall be retained by the operator of such simulcast facility FOR A
RACE HELD AT AN OUT-OF-STATE HOST TRACK and, after a period of one
year following such THE simulcast race, shall THE PROCEEDS revert and
belong to such THE operator. except that, in the case of simulcast races
received from an in-state host track, such proceeds shall be paid to the
licensee of such in-state host track within sixty days after the end of the
race meet from which the simulcast race was broadcast and, after a period
of one year following the end of such race meet, shall revert and belong
to such licensee and shall be used by the licensee for capital
improvements to the track at which the race meet was held.
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SECTION 11. In Colorado Revised Statutes, 12-60-703, repeal (2) as follows: 12-60-703. Pari-mutuel pools for race meets and simulcast races. (2) The pari-mutuel pool for a greyhound race meet and for
SECTION 11. In Colorado Revised Statutes, 12-60-703, repeal (2) as follows: 12-60-703. Pari-mutuel pools for race meets and simulcast races. (2) The pari-mutuel pool for a greyhound race meet and for simulcast races of such race meet shall be an intrastate common pool;
SECTION 11. In Colorado Revised Statutes, 12-60-703, repeal (2) as follows: 12-60-703. Pari-mutuel pools for race meets and simulcast races. (2) The pari-mutuel pool for a greyhound race meet and for simulcast races of such race meet shall be an intrastate common pool; except that, if such simulcast races are received by an out-of-state
SECTION 11. In Colorado Revised Statutes, 12-60-703, repeal (2) as follows: 12-60-703. Pari-mutuel pools for race meets and simulcast races. (2) The pari-mutuel pool for a greyhound race meet and for simulcast races of such race meet shall be an intrastate common pool; except that, if such simulcast races are received by an out-of-state simulcast facility, the pari-mutuel pool may be an interstate common
SECTION 11. In Colorado Revised Statutes, 12-60-703, repeal (2) as follows: 12-60-703. Pari-mutuel pools for race meets and simulcast races. (2) The pari-mutuel pool for a greyhound race meet and for simulcast races of such race meet shall be an intrastate common pool; except that, if such simulcast races are received by an out-of-state simulcast facility, the pari-mutuel pool may be an interstate common pool, and, in that case, it shall be operated by the in-state host track

preservation of the public peace, health, and safety.

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