

FIRST REGULAR SESSION
[PERFECTED]
HOUSE SUBSTITUTE FOR
HOUSE BILL NO. 882
91ST GENERAL ASSEMBLY

Taken up for Perfection April 11, 2001.

House Substitute for House Bill No. 882 ordered Perfected and printed, as amended.

TED WEDEL, Chief Clerk

2096L. 03P

AN ACT

To repeal sections 313.500, 313.510, 313.520, 313.530, 313.540, 313.550, 313.560, 313.580, 313.590, 313.600, 313.605, 313.610, 313.620, 313.630, 313.631, 313.632, 313.640, 313.652, 313.655, 313.660, 313.670, 313.710 and 313.720, RSMo 2000, relating to horse racing and pari-mutuel wagering, and to enact in lieu thereof twenty-seven new sections relating to the same subject, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 313.500, 313.510, 313.520, 313.530, 313.540, 313.550, 313.560, 313.580, 313.590, 313.600, 313.605, 313.610, 313.620, 313.630, 313.631, 313.632, 313.640, 313.652, 313.655, 313.660, 313.670, 313.710 and 313.720, RSMo 2000, are repealed and twenty-seven new sections enacted in lieu thereof, to be known as sections 313.500, 313.510, 313.520, 313.530, 313.540, 313.550, 313.560, 313.561, 313.562, 313.580, 313.583, 313.585, 313.587, 313.590, 313.600, 313.605, 313.610, 313.620, 313.630, 313.631, 313.640, 313.652, 313.655, 313.660, 313.662, 313.670 and 313.720, to read as follows:

313.500. As used in sections 313.500 to [313.710] **313.720**, unless the context clearly indicates that a different meaning is intended, the following terms mean:

(1) "Applicant", any person applying for a license to be granted by the commission. If the applicant is a corporation, partnership or other person as that term is defined in section 351.015, RSMo, the term includes the officers and directors of the corporation or the general partners of a partnership or person performing similar functions for any

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

7 **business applying for such a license;**

8 [(1)] (2) "Breakage", the odd cents by which the amount payable on each dollar wagered
9 exceeds a multiple of [ten] **five cents, or such other amount as set by the commission;**

10 [(2)] (3) "Commission", the Missouri [gaming] **horse racing** commission, [created in
11 section 313.004,] or its designate;

12 (4) **"Commission on wagers", an amount retained and not returned to patrons by
13 a licensee from the total amount of pari-mutuel wagers;**

14 (5) **"Common pari-mutuel pool", a pool consisting of the pari-mutuel wagers on
15 a live race or simulcast placed and accepted at a racetrack;**

16 [(3)] (6) "County", any county in the state of Missouri or the city of St. Louis;

17 [(4)] (7) "Horse", any equine, ass, mule, pony, or hybrid thereof;

18 [(5)] "Organization", any individual, political subdivision, state agency, partnership,
19 unincorporated association, firm, or corporation licensed by the commission to conduct a horse
20 racing meeting;]

21 (8) **"Licensee", any individual, partnership, corporation, unincorporated
22 association, firm, or other business organization licensed by the commission to conduct a
23 race meeting and pari-mutuel wagering. If the licensee is a corporation, partnership or
24 other person as that term is defined in section 351.015, RSMo, the term includes the
25 officers and directors of the corporation or the general partners of the partnership or
26 person performing similar functions for any business that holds a license;**

27 (9) **"Missouri bred horse", any equine which was foaled within this state;**

28 (10) **"Occupational licensee", any person licensed by the commission to perform
29 an occupation associated with racing, simulcasting or pari-mutuel wagering, which the
30 commission has identified as requiring a license;**

31 [(6)] (11) "Pari-mutuel wagering", a form of wagering on the outcome of horse races in
32 which those who wager purchase tickets of various denominations on a horse or horses in one
33 or more races, all wagers are pooled, and when the outcome of the race has been declared
34 official, the total wagers comprising each pool, less such amounts provided herein or which are
35 provided by law or rule, will be distributed to holders of winning tickets on the [winning] horse
36 or horses;

37 (12) **"Pari-mutuel system", a computerized system or component of a system that
38 is used to transmit wagering data to and from a racetrack which participates in common
39 pari-mutuel pools;**

40 [(7)] (13) "Public official", any elected member of the executive branch of state
41 government and any director of a state department, any judge other than a judge of the municipal
42 division of a circuit court, and any elected member of the legislative branch of state government;

- 43 **(14) "Race" or "racing", any type of horse race or horse racing;**
44 **[(8) "Race meet" or] (15) "Race meeting", [the whole period of time, whether**
45 **consecutive dates or those instances where nonconsecutive dates are granted, for which a**
46 **racetrack license to race has been granted to any one organization by the commission;**
47 **(9) "Racing", any type of horse racing.] the activities conducted at a race meeting**
48 **grounds including live and simulcast races, all as licensed by the commission, on any given**
49 **date or series of dates;**
50 **(16) "Race meeting grounds", a track licensed by the commission and the**
51 **surrounding structures and property under control of a licensee;**
52 **(17) "Simulcast", the audio and visual transmission of a live, real-time race, or**
53 **series of races, provided in any manner approved by the commission;**
54 **(18) "Steward", a person designated by the commission to monitor race meetings**
55 **to ensure compliance with sections 313.500 to 313.720 and regulations promulgated**
56 **thereunder.**

- 313.510. 1. There is hereby created the "Missouri Horse Racing Commission", which
2 shall consist of five members appointed by the governor with the advice and consent of the
3 senate. **Each member of the commission shall be a resident of this state and shall be**
4 **appointed for a term of three years. No member shall have pled guilty to or shall have**
5 **been convicted of a felony or a gambling-related offense. No two commissioners shall be**
6 **from the same county.** The commission shall oversee the development and administration of
7 the pari-mutuel horse racing industry in Missouri. The commission shall be assigned to the
8 [Missouri gaming commission] **department of public safety.**
9 **2. The governor shall designate one of the members as the chair.**
10 **3. The governor may remove any member of the commission from office for**
11 **malfeasance or neglect of duty in office.**
12 **4. In the event of a vacancy on the commission due to the removal, resignation or**
13 **death of a commission member, the governor shall appoint an interim commissioner to**
14 **serve the remainder of the unexpired term.**
15 **5. The commission shall perform all duties and have all the powers and**
16 **responsibilities conferred and imposed on it pursuant to sections 313.500 to 313.720,**
17 **related to horse racing and pari-mutuel wagering.**

- 313.520. 1. [The horse racing commission shall not hire any person to be an employee
2 of the commission.] **Subject to appropriations, the commission may hire an executive**
3 **director and such employees as it may deem necessary to carry out the commission's duties.**
4 **The commission shall have authority to require investigations of any employee or applicant**
5 **for employment as deemed necessary and use such information or any other information**

6 **in determination of employment. The commission shall promulgate rules and regulations**
7 **establishing a code of ethics for its employees that shall include, but not be limited to,**
8 **restrictions on which employees shall be prohibited from participating in or wagering on**
9 **any race subject to the jurisdiction of the commission or from placing wagers subject to the**
10 **jurisdiction of the commission. The commission shall determine if any employees of the**
11 **commission or any licensee shall be subject to any restrictions on their ability to participate**
12 **in any race meeting or wager at any racetrack under the jurisdiction of the commission.**

13 2. The duties of the executive director of the [gaming] commission[, in addition to all
14 other duties prescribed by law,] shall include the following:

15 (1) Taking and preserving records of all proceedings before the commission, maintaining
16 its books, documents, and records, and making them available for public inspection;

17 (2) If so designated by the commission, acting as a hearing officer in hearings;

18 (3) Acting as the commission's chief personnel officer and supervising the employment,
19 conduct, duties, and discipline of commission employees; and

20 (4) Performing other duties as directed by the commission.

21 3. Except as provided in subdivision [(7)] **(5)** of section 313.560, the officials at any race
22 meeting, [as this term is customarily understood in racing,] including by way of enumeration
23 only and not in limitation, placing judges, patrol judges, clerks of the scales, starters and
24 assistants, handicapper, timer, paddock judge, veterinarians, racing secretary and clerk of the
25 course shall be paid by the racetrack licensee.

313.530. [Except as provided in section 313.620, all revenues derived or generated from
2 the licensing of racetracks and] **1. Other than revenues designated for the Missouri breeders**
3 **fund pursuant to sections 313.652, 313.655 and 313.720, all revenues derived or generated**
4 **from the licensing fees, racetracks, civil or administrative penalties, laboratory testing**
5 **services fees, the authorization of race meetings, races [under] and wagering pursuant to**
6 **sections 313.500 to [313.710] 313.720, and all moneys received by the state[, and the**
7 **commission [or the director of revenue] from pari-mutuel wagering pools shall be [deposited by]**
8 **transmitted to the director of revenue for deposit in the state treasury to be held in a special**
9 **account to be known as the "Missouri Horse Racing Fund". Interest earned on the Missouri**
10 **horse racing fund shall be credited to that fund. The money in the Missouri horse racing fund**
11 **shall be deposited in the state treasury and invested by the state treasurer[, subject to**
12 **appropriation as provided by the constitution and laws enacted pursuant thereto]. The Missouri**
13 **horse racing fund shall be used to pay the expenses of the commission to the extent that it**
14 **is sufficient to satisfy the commission's obligations.**

15 2. Any surplus remaining in the Missouri horse racing fund at the end of a fiscal
16 year shall be deposited in the state treasury to the credit of the "School Building Revolving

17 **Fund” pursuant to 166.300, RSMo, which is hereby created in the state treasury. Moneys**
18 **deposited in this fund shall be considered the proceeds of racing and state funds pursuant**
19 **to article IV, section 15 of the Missouri Constitution. All interest received on the horse**
20 **racing proceeds shall be credited to the school building revolving fund. Appropriation of**
21 **the moneys deposited in the horse racing for education fund shall be pursuant to state law.**

313.540. 1. The commission shall have powers to [prescribe] **promulgate** and enforce
2 rules and regulations governing [horse] races, [and] race meetings **and pari-mutuel wagering.**
3 Such rules and regulations shall contain criteria to be used by the commission for decisions on
4 approving and revoking [racetrack] licenses and **for** setting racing dates. The commission may
5 delegate to **its employees or to** the stewards such of the commission's powers and duties as may
6 be necessary to carry out and effectuate the purposes of sections 313.500 to [313.710] **313.720.**
7 Any decision or action of such **employees or** stewards may be appealed to the commission or
8 may be reviewed by the commission on its own initiative.

9 **2. No rule or portion of a rule promulgated pursuant to the authority of this section**
10 **shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.**

313.550. 1. The commission may issue subpoenas for the attendance of witnesses or the
2 production of any records, books, memoranda, documents, or other papers or things, to enable
3 [any of them] **it** to effectually discharge its [or his] duties, and may administer oaths or
4 affirmations as necessary in connection therewith. In addition, the commission shall have the
5 authority to issue subpoenas [under] **pursuant to** section 536.077, RSMo, in contested cases.

6 **2.** Any person subpoenaed who fails to appear at the time and place specified in answer
7 to the subpoena and to bring any papers or things specified in the subpoena, or who upon such
8 appearance, refuses to testify or produce such records or things, upon conviction, is guilty of a
9 class A misdemeanor.

10 **3.** Any person who testifies falsely under oath in any proceeding before, or any
11 investigation by, the commission, its [secretary] **employees**, or the stewards, upon conviction,
12 shall be guilty of a class D felony **and a class C felony for second and subsequent violations.**

313.560. The commission shall have all powers necessary and proper to fully and
2 effectively execute the provisions of sections 313.500 to [313.710] **313.720** including, but not
3 limited to, the following:

4 (1) The provisions of chapter 34, RSMo, to the contrary notwithstanding, the executive
5 director, pursuant to rules and regulations issued by the commission, may directly purchase or
6 lease such goods or services as are necessary for effectuating the purposes of sections 313.500
7 to [313.710] **313.720**, provided however, that the board of public buildings shall provide the
8 principal office space for the commission's staff. Contracts shall be awarded on the basis of
9 lowest and best bid. The executive director shall use state purchasing procedures except for

10 professional services or emergency purchases [necessary for the race meet] authorized pursuant
11 to section 34.100, RSMo. No contract awarded or entered into by the executive director may be
12 assigned by the holder thereof except with specific approval of the commission;

13 (2) [The commission is vested with the power to enter without a search warrant the
14 office, horse racetrack, facilities, other places of business, residences, tack rooms, vehicles and
15 any other premises under the control of any licensee on the grounds of a licensed association at
16 all reasonable hours to determine whether there has been compliance with the provisions of
17 sections 313.500 to 313.710 and rules and regulations promulgated thereunder, and to discover
18 any contraband as described in chapter 195, RSMo, or in rules promulgated pursuant to sections
19 313.500 to 313.710;

20 (3)] The commission is vested with the authority to investigate alleged violations of the
21 provisions of sections 313.500 to [313.710] **313.720**, its reasonable rules and regulations, orders
22 and final decisions; [the commission shall take appropriate disciplinary action, including
23 suspension or revocation of the license, against any racetrack licensee or occupation licensee for
24 violation thereof or institute appropriate legal action for the enforcement thereof pursuant to
25 subdivision (10) of this section;

26 (4)] (3) The commission may eject or exclude from any race meeting [or licensee]
27 grounds [or any part thereof, any occupation licensee or], any [other] individual whose conduct
28 or reputation is such that his **or her** presence [on licensee grounds] may, in the opinion of the
29 commission, call into question the honesty and integrity of [horse] racing or interfere with the
30 orderly conduct of [horse] racing **or pari-mutuel wagering**; provided, however, that no person
31 shall be excluded or ejected [from licensee grounds] on the grounds of race, color, creed, national
32 origin, ancestry, or sex. The commission shall by rule provide for an expedited hearing for any
33 occupation licensee excluded pursuant to this subsection;

34 [(5)] (4) The commission is vested with the power to acquire, establish, maintain and
35 operate, or provide by contract testing laboratories and related facilities, for the purpose of
36 conducting saliva, blood, urine and other tests on the horses run or to be run in any race meeting
37 and to lease or purchase all equipment and supplies deemed necessary or desirable in connection
38 with any such testing laboratories and related facilities and all such tests. The commission shall
39 explore the feasibility of establishing such a testing facility at and in conjunction with the
40 University of Missouri, College of Veterinary Medicine. The racetrack licensee shall on a per
41 sample basis pay a fee as determined by the commission for such laboratory testing services;

42 [(6) The commission may require that the records, including financial or other statements
43 of any racetrack licensee under sections 313.500 to 313.710, shall be kept in such manner as
44 prescribed by the commission and that any racetrack licensee submit to the commission on or
45 before March fifteenth of each year, for the preceding fiscal year of the licensee an annual

46 audited balance sheet and profit and loss statement and any other information the commission
47 deems necessary in order to effectively administer sections 313.500 to 313.710 and all rules,
48 regulations, orders and final decisions promulgated under sections 313.500 to 313.710. The
49 fiscal year for any licensee shall be the calendar year;

50 (7)] (5) The commission shall require that there shall be three stewards at each horse race
51 meeting, who shall be appointed by the commission **and certified by the Association of Racing**
52 **Commissioners International or equivalent organization**. They shall be paid for by the state
53 and shall be considered state employees for all purposes. Stewards appointed by the
54 commission, while performing duties required by sections 313.500 to [313.710] **313.720** or by
55 the commission, shall be entitled to the same rights and immunities as granted to commission
56 members and employees [under] **pursuant to** section 313.570;

57 [(8)] (6) The commission is vested with the power to impose civil penalties of up to five
58 thousand dollars against [individuals] **occupational licensees** and up to ten thousand dollars
59 against [organizations] **licensees** for each violation of any provision of sections 313.500 to
60 [313.710] **313.720**, any rules adopted by the commission, any lawful order of the commission
61 or any other action which, in the commission's discretion, is found to be a detriment or
62 impediment to [horse] racing **or pari-mutuel wagering**. Such penalties, when recovered, shall
63 be paid into the Missouri horse racing fund. Any civil penalties so imposed shall be sued for by
64 the attorney general in the name of the state;

65 [(9)] (7) The commission may request that the attorney general make investigations, on
66 behalf of and in the name of the commission, and bring suits or institute proceedings for any of
67 the purposes necessary and proper for carrying out the functions of the commission;

68 [(10)] (8) The commission may request that the Missouri state highway patrol investigate
69 or participate in such matters as it deems necessary. The Missouri state highway patrol shall
70 have authority to investigate the commission relative to the operation and administration of
71 sections 262.260 to 262.270, RSMo, and 313.500 to [313.710] **313.720**, and to report suspected
72 violations of state law or federal law by the commission to the proper prosecuting authorities.
73 In the event that a violation of state law is reported to the proper prosecuting authority and no
74 prosecution is commenced within thirty days for alleged violations, the attorney general shall
75 have authority to commence prosecution for alleged violations of sections 262.260 to 262.270,
76 RSMo, and 313.500 to [313.710] **313.720** or other criminal statutes alleged to have been
77 violated. The cost of personnel and related expenses in the Missouri state highway patrol,
78 including the division of drug and crime control, to accomplish the purposes of this section shall
79 be paid within the limits of appropriations from general revenue, or from such other funding as
80 may be authorized by the general assembly.

313.561. In addition to the powers granted to the commission in section 313.560, the

2 commission shall have the following powers and duties relating to applicants and licensees:

3 (1) To investigate the qualifications of each applicant pursuant to sections 313.500
4 to 313.720 before any license is issued and to continue to observe the conduct of all
5 licensees and other persons having a material involvement directly or indirectly with the
6 licensee;

7 (2) To deny any application or limit, condition, restrict, revoke or suspend a license
8 of any person for any cause deemed reasonable by the commission. Any person aggrieved
9 by any action of the commission authorized in this subdivision may appeal such action to
10 the appropriate circuit court;

11 (3) To adopt standards for the conduct of pari-mutuel wagering on the race
12 meeting grounds, except that the commission shall not permit a licensee to accept
13 pari-mutuel wagers unless its facility on the race meeting grounds:

14 (a) Is designed to seat patrons comfortably, with multiple screens to enable each
15 patron to view simulcast races;

16 (b) Is suitable for licensing by the division of liquor control; and

17 (c) Has food and beverage services available at all hours the facility is open to the
18 public for race meetings;

19 (4) To require a licensee to remove any person from the race meeting grounds
20 facility if such person violates any provision of sections 313.500 to 313.720 or any rule or
21 regulation promulgated thereunder or if such person engages in fraudulent practices;

22 (5) To enter without a search warrant the office, race meeting grounds, other places
23 of business, tack rooms, vehicles and any other premises under the control of any licensee
24 at all reasonable hours to determine whether there has been compliance with the provisions
25 of sections 313.500 to 313.720 and the rules and regulations promulgated thereunder, and
26 to discover any substance or item regulated in chapter 195, RSMo, or by rules and
27 regulations promulgated pursuant to sections 313.500 to 313.720;

28 (6) To require that the records, including financial or other statements of any
29 licensee pursuant to sections 313.500 to 313.720, shall be kept in such manner as prescribed
30 by the commission and that any licensee submit to the commission on or before a date
31 certain each year established by the commission, for the preceding fiscal year of the
32 licensee an annual audited balance sheet and profit-and-loss statement and any other
33 information the commission deems necessary in order to effectively administer sections
34 313.500 to 313.720 and all rules, regulations, orders and final decisions promulgated
35 pursuant to sections 313.500 to 313.720. The fiscal year for any licensee shall be the
36 calendar year; and

37 (7) The commission may levy administrative penalties of up to two thousand dollars

38 per day against a licensee who violates the provisions of sections 313.500 to 313.720 or any
39 rule or regulation promulgated thereunder.

2 313.562. A holder of any license shall be subject to impositions of penalties,
3 suspension or revocation of such license, or other action for any act or failure to act by
4 such person or such person's agents or employees, that is injurious to the public health,
5 safety, morals, good order and general welfare of the people of the state of Missouri, or that
6 would discredit or tend to discredit the Missouri horse racing industry or the state of
7 Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of
8 such action. The commission shall take appropriate action against any licensee who
9 violates the law or the rules and regulations of the commission. Without limiting other
10 provisions of this section, the following acts or omissions may be grounds for such
discipline:

11 (1) Failing to comply with or make provisions for compliance with sections 313.500
12 to 313.720, the rules and regulations of the commission or any federal, state or local law
13 or regulation;

14 (2) Failing to comply with any rule, order or ruling of the commission or its agents
15 pertaining to horse racing or pari-mutuel wagering;

16 (3) Being suspended or ruled ineligible or having a license associated with horse
17 racing revoked or suspended in any state or jurisdiction;

18 (4) Associating with, either socially or in business affairs, or employing persons of
19 notorious or unsavory reputation or who have extensive police records, or who have failed
20 to cooperate with any officially constituted investigatory or administrative body and who
21 would adversely affect public confidence and trust in horse racing or pari-mutuel
22 wagering;

23 (5) Employing in any horse racing operation or associated facility any person
24 known to have been found guilty of cheating or using any improper device in connection
25 with any horse race, pari-mutuel wagering operation or other type of gaming;

26 (6) Use of fraud, deception, misrepresentation, extortion, threats or bribery in
27 securing any permit or license issued pursuant to sections 313.500 to 313.720;

28 (7) Obtaining or attempting to obtain any fee, charge or other compensation by
29 fraud, deception, misrepresentation, extortion or threats;

30 (8) Incompetence, misconduct, gross negligence, fraud, misrepresentation or
31 dishonesty in the performance of the functions or duties regulated by sections 313.500 to
32 313.720.

2 313.580. 1. Pari-mutuel wagering shall only be conducted within the grounds or
enclosure of a racetrack licensed by the commission and shall only be conducted with respect to

3 [horse] races [and], race meetings [which have been authorized by the commission at such
4 licensed racetrack] **or simulcasts.**

5 **2.** No organization shall conduct pari-mutuel wagering on [horse] racing without a valid
6 [racetrack] license issued by the commission [with respect to the conduct of horse racing and
7 race meets authorized by the commission]. Any organization desiring to conduct pari-mutuel
8 wagering on [horse] racing shall apply to the commission for a [racetrack] license and shall
9 provide the information required by the commission before a license may be issued.

10 [2.] **3.** The commission shall not issue any [racetrack] license to any individual or
11 organization:

12 (1) Who has or which has an officer, director, **member, manager,** or stockholder who
13 has been convicted of a felony;

14 (2) Who has or which has an officer, director, **member, manager,** or stockholder who
15 has been convicted of or pleaded nolo contendere to any illegal gambling activity; or

16 (3) Who is or which has an officer, director, **member, manager,** or stockholder who is
17 not of good moral character.

18

19 As used in this subsection, the term "stockholder" shall mean record owners of any class of
20 stock, and beneficial owners of any class of stock **or units of ownership** as provided in
21 subsection 4 of section 313.600, which constitutes two percent or more of the licensee's stock
22 **or units of ownership.**

23 [3.] **4.** The commission shall not issue any license for a racetrack unless the commission
24 has first determined:

25 (1) That the applicant would be a suitable licensee;

26 (2) That a licensed racetrack at the proposed location would be in the public interest;

27 (3) That the proposed racetrack operation is economically feasible;

28 (4) That the proposed racetrack's establishment would not be detrimental to the
29 development of a sound [horse] racing program for Missouri;

30 (5) That any financing of applicant's proposed operations is adequate and comes from
31 a source that is not detrimental to the public interest; and

32 (6) That the applicant has complied with all requisite provisions of law and of rules and
33 regulations promulgated by the commission.

34 [4.] **5.** If any organization is ineligible to be granted a [racetrack] license because of any
35 of the matters set forth in this section, any other affiliated organization or person that is either
36 controlled, directly or indirectly, by such ineligible organization or person shall also be ineligible.

37 [5.] **6.** The commission shall only license the number of racetracks and authorize the
38 number of races which it determines to be in the public interest and economically feasible.

39 7. Licenses granted by the commission shall be valid until revoked by the
40 commission for cause following proper notice and an opportunity for hearing.

41 8. No public funds or powers of eminent domain shall be used for the purchase,
42 construction, operation or maintenance of any privately-owned race meeting grounds, nor
43 shall tax increment financing, as provided for in sections 99.800 to 99.865, RSMo, be
44 utilized for any redevelopment projects that include privately-owned race meeting
45 grounds.

 313.583. 1. An application to receive a license constitutes a request for a
2 determination of the applicant's general character, integrity and suitability for licensure.
3 Such determination shall be made by the commission after due investigation of the
4 applicant. The applicant for such license shall file with its application an application fee
5 of fifty thousand dollars. If the cost of the commission's investigation exceeds the total
6 amount of the fee paid by the applicant pursuant to this section, the commission may assess
7 additional fees as it deems appropriate; however, if the applicant is denied a license, the
8 applicant shall be entitled to a refund of the difference between the application fee and the
9 actual costs of the investigation.

10 2. Applications for a license shall be made, processed, and determined using such
11 forms as the commission may require. The application shall fully identify the applicant,
12 include evidence of the financial responsibility of the applicant, describe the names and
13 identification of those who will supervise the wagering, describe the controls and
14 supervision by the licensee and describe the general physical layout of the track and its
15 location.

16 3. In acting on applications for licenses, the commission shall require all applicants
17 to implement a good faith affirmative action effort and to furnish the commission with a
18 description of plans for compliance with all laws pertaining to discrimination, equal
19 employment, and affirmative action; policies regarding recruitment, use and advancement
20 of minorities; policies with respect to minority contracting; a copy of the equal employment
21 opportunity statement and policy of the applicant dated and signed by the chief executive
22 officer; and a copy of the affirmative action policy and procedures of the applicant dated
23 and signed by the chief executive officer; and identification of the affirmative action
24 officer, including name, title, address and telephone number.

 313.585. 1. The commission shall not issue a license to operate to an applicant
2 unless the applicant affirms that it will conduct at least fifty days of live racing in Missouri
3 during each twelve-month period following licensure and will make a capital investment
4 in its race meeting grounds in Missouri exceeding twenty-five million dollars within the
5 first year of operations. The commission shall only have authority to waive, suspend or

6 modify the provisions of this section in the event that circumstances beyond the control of
7 the applicant prevent the applicant from complying with such requirements.

8 2. In the event that a licensee does not own and operate a live racetrack that
9 conducts at least fifty days of live racing in Missouri, the commission shall restrict, revoke,
10 suspend or place on probation the licensee's right to operate until the licensee adequately
11 demonstrates an ability to satisfy the requirements of subsection 1 of this section.

12 3. The commission shall not issue a license to any applicant except upon the express
13 condition and representation that the licensee shall not, by any lease, contract,
14 understanding or arrangement of whatever kind or nature, grant, assign, transfer or turn
15 over to any person, corporation, partnership or business, the ownership, operation or
16 management of the track without the prior approval of the commission. Nothing contained
17 in this section prohibits:

18 (1) The licensee from paying a percentage of the amounts wagered at its race
19 grounds to a track for the right to be part of a common pari-mutuel pool and for the right
20 to receive a simulcast from such racetrack; or

21 (2) The licensee from paying a percentage of the amounts wagered at its race
22 grounds to an individual, corporation, partnership, or other entity as compensation for the
23 services of a pari-mutuel system.

 313.587. 1. A licensee shall not use a pari-mutuel system unless the system has been
2 approved for use by the commission. The physical location of the system may be in a state
3 other than Missouri. A pari-mutuel wagering system shall:

4 (1) Include a fully redundant computer;

5 (2) Receive, aggregate by pool, and report to a track at regular intervals, all
6 pari-mutuel wagering information received from the licensee;

7 (3) Receive and report to the licensee at regular intervals all wagering data received
8 from the racetrack to the system;

9 (4) After each race on which pari-mutuel wagering is conducted and which is
10 declared official, receive and report to the licensee the results and payoff prices reported
11 by the track; and

12 (5) Provide all accounting and reconciliation reports required by the commission.

13 2. Operators of the pari-mutuel system shall:

14 (1) Be subject to such regulatory supervision as the commission deems appropriate;

15 (2) Put in place and use communication equipment to supplement that used to
16 transmit simulcasts and to facilitate the pari-mutuel wagering system to ensure that the
17 operator is:

18 (a) Able to contact each licensee immediately; and

19 **(b) Able at all times to respond immediately to licensee requests for confirmation**
20 **of information included in the simulcasts or otherwise generated by the pari-mutuel**
21 **system.**

313.590. A [racetrack licensed under section 313.580] **licensee** shall post a bond
2 payable to the state of Missouri, before the license is issued, in an amount set by the commission,
3 with sureties to be approved by the commission. The bond shall be used to guarantee that the
4 licensee **satisfies its obligation to maintain all facilities for which it is licensed**, faithfully
5 makes the payments, keeps its books and records and makes reports, and conducts its racing **and**
6 **wagering** activity in conformity with sections 313.500 to [313.710] **313.720** and the rules **and**
7 **regulations** adopted by the commission. The bond shall not be canceled or assigned by a surety
8 on less than thirty days' notice in writing to the commission. If a bond is canceled and the
9 licensee fails to file a new bond with the commission in the required amount on or before the
10 effective date of cancellation, the licensee's license shall be revoked. The total and aggregate
11 liability of the surety on the bond is limited to the amount specified in the bond.

313.600. 1. [Whenever any organization has been granted a racetrack license to conduct
2 a horse race meeting,] No officer or director of [such organization] **a licensee**, or person [who
3 will thereby] **proposed to** become the owner or holder, directly or indirectly, of five percent or
4 more of the shares of stock or certificates or other evidence of ownership in such [organization]
5 **licensee**, may become the owner or holder, directly or indirectly, of any such shares of stock or
6 certificates or other evidence of ownership without first having obtained the approval of the
7 commission. The commission may, after hearing, revoke or suspend a [racetrack] license
8 granted to any [organization] **licensee** which shall register on its books in the name of any such
9 officer, director or person its share of stock or certificate or other evidence of ownership of any
10 interest in the organization without the prior approval of the commission or which shall
11 knowingly permit any such officer, director or person to be directly or indirectly interested in its
12 share of stock or certificates or other evidences of ownership of any interest in the organization
13 without reporting the same to the commission or which violates any rules or regulations of the
14 commission.

2. Whenever the commission shall give to any officer or director of any [organization]
16 **licensee**, or person [who will thereby] **proposed to** become the owner or holder, directly or
17 indirectly, of five percent or more of the shares of stock or certificates or other evidences of
18 ownership of any interest in [an organization] **a licensee**, its approval to own or hold the shares
19 of stock or certificates or other evidences of ownership of any interest in any such [organization]
20 **licensee**, it shall, by registered mail, notify the organization of such approval. [Under no
21 circumstances shall the commission give such approval to any such officer, director or person
22 who has been convicted of or is under an indictment for a crime involving moral turpitude or has

23 violated any provisions of the racing law of any state or any rules or regulations of the
24 commission of any state.]

25 3. The commission shall require all licensees, including any officers and stockholders
26 thereof, to disclose fully to the commission all financial interests that they may have in horse
27 racing **that are deemed relevant by the commission.**

28 4. The commission shall require each licensee [under] **pursuant to** this section to
29 maintain records of owners of stock of the licensee so that the names of all persons, including
30 corporations, trusts, estates, and partnerships, who are the beneficial owners of **five percent or**
31 **more of** the stock are disclosed, regardless of the manner in which, or whether, the ownership
32 interest is stated or registered on the stock of the licensee. Beneficial ownership includes, but
33 is not limited to record ownership and:

34 (1) Stock or other ownership in one or more entities in a chain of parent and subsidiary
35 or affiliated entities, any one of which participates in the capital or profits of a licensee,
36 regardless of the percentage of ownership involved; or

37 (2) Any interest which entitles a person to benefits substantially equivalent to ownership
38 by reason of any contract, understanding, relationship, agreement or other arrangement even
39 though the person is not the record owner. Unless there are special circumstances, securities held
40 by an individual's spouse or relatives, including children, living in the home, are beneficially
41 owned by the individual.

42 5. In addition to any other action which is necessary to obtain disclosure of beneficial
43 ownership of stock, the commission shall require each licensee, at least once every calendar year,
44 to obtain, pursuant to written notice to the record owners of all stock of the licensee, an affidavit
45 from each record owner owning [two] **five** percent or more, sworn to under the penalty of
46 perjury, stating to the best of the affiant's knowledge, information and belief:

47 (1) Whether any person other than the affiant has any right of beneficial ownership of
48 any kind in the stock held in the name of the affiant;

49 (2) The name and address of the other person; and

50 (3) The amount and nature of the ownership.

51 6. If the licensee receives information indicating that a person other than the record
52 owner has a beneficial ownership interest in stock of the licensee, the licensee shall request
53 promptly by written notice to the other person, that this person submit to the licensee within sixty
54 days from the date of the notice an affidavit, sworn to under the penalty of perjury, stating to the
55 best of the affiant's knowledge, information and belief:

56 (1) Whether the affiant has any right of ownership in stock of the licensee attributed to
57 the affiant in the notice and the amount and nature of the ownership;

58 (2) Whether any person other than the affiant and the record owner has any right of

59 ownership of any kind in stock of the licensee attributed to the affiant by the notice to the affiant;
60 and

61 (3) The amount and nature of the ownership of any other person.

62 7. Notwithstanding the affidavit requirements of this subsection, the commission may
63 limit the ownership that must be reported in an affidavit to [two] **five** percent or more of the
64 beneficial ownership of the licensee.

65 8. Each licensee shall submit the ownership records and affidavits required by this
66 section to the commission annually and at the other times required by the commission. Any
67 change in the record ownership or beneficial ownership of stock of any licensee shall be reported
68 promptly to the commission. Upon the failure of any licensee to maintain and report records of
69 ownership of stock, as required by this subsection, or the failure of any licensee to make a
70 reasonable effort to obtain the affidavits required by this subsection, the commission shall
71 suspend or revoke the license of the track for a period determined by the commission.

72 9. All statements required to be filed with the commission shall be filed under oath and
73 shall be signed by the officers of the corporation, or, if unincorporated, by the owner or all the
74 partners, general and limited, of the licensee.

313.605. 1. [In addition to the provisions of subsection 1 of this section,] No
2 organization shall be granted a [racetrack] license [to hold a race meeting in this state] and the
3 commission may revoke or suspend a [racetrack] license if any public official of the state or his
4 or her spouse, children or parents hold any financial interest, directly or indirectly, in the shares
5 of stock or certificates or other evidences of ownership in the organization. **Nor shall an**
6 **organization be granted a license and the commission may revoke or suspend a license if**
7 **any person or organization has a five percent or greater financial interest, directly or**
8 **indirectly, in the shares of stock or other evidences of ownership in a licensee and also has**
9 **any financial interest, directly or indirectly, in the ownership of any other gaming activity**
10 **or gaming business unrelated to horse racing.**

11 2. No organization which has been granted a [racetrack] license [to hold a race meeting]
12 shall give to any public official or his or her spouse, children or parents, directly or indirectly,
13 for or without consideration any interest in shares of stock or certificates or other evidences of
14 ownership in the organization. The commission shall, after hearing, revoke the [racetrack]
15 license granted to an organization which has violated this subsection.

313.610. Any organization conducting a horse race [or race meeting] at which
2 pari-mutuel wagering is conducted without a valid license issued pursuant to sections 262.260
3 to 262.270, RSMo, and 313.500 to [313.710] **313.720** shall upon conviction be guilty of a class
4 B felony.

313.620. 1. The commission shall prescribe by rule the amount and frequency of

2 [application fees and] per day licensing fees for racetracks where pari-mutuel wagering is
3 permitted.

4 2. The commission may prescribe by rule license fees for race [meets] **meetings** with
5 respect to which pari-mutuel wagering is conducted.

6 3. All funds received from application fees, per day licensing fees and other licensing
7 fees shall be **collected by the commission and transmitted to the department of revenue to**
8 **be** deposited in the [state treasury to the credit of the general revenue fund, and shall not be
9 transferred except by appropriation as provided by the constitution and laws enacted pursuant
10 thereto] **Missouri horse racing fund**.

313.630. In lieu of any state or local sales tax on the gross receipts from admissions paid
2 by persons attending the races and in lieu of any state or local amusement or entertainment tax,
3 there is hereby imposed on each [organization licensed to conduct horse races under the
4 provisions of sections 313.510 to 313.710] **licensee** a tax equal to ten percent of all moneys
5 received each day from admissions paid by persons attending the [races] **race meeting** for
6 deposit in the [state treasury to the credit of the general revenue fund. The general assembly
7 shall appropriate money from general revenue, up to one-half of the amount credited annually
8 pursuant to this section, to municipalities and counties in the area in which races are conducted
9 to assist the funding of services and facilities required by the conduct of racing in such
10 municipality or county. Any county or municipal racing authority shall be subject to the rules
11 and regulations of the commission] **Missouri horse racing fund**.

313.631. Every [organization licensed to conduct horse races under the provisions of
2 sections 262.260 to 262.270, RSMo, and 313.500 to 313.710] **licensee** shall so keep its books
3 and records as to clearly show the true number of admissions **to its race meeting**, the total
4 amount of money contributed to each pari-mutuel pool on each race [separately] **run at its track,**
5 **the total amount of money contributed to each pari-mutuel pool on which it accepts**
6 **wagers**, and the amount of money received daily from admission fees and within thirty days after
7 the conclusion of every [race meeting] **month**, shall submit to the commission a complete
8 accounting of all such receipts and admissions. **Each licensee shall pay to the state treasurer**
9 **an admission fee of two dollars for each person entering the race meeting ground with a**
10 **ticket of admission. All revenue received by the state treasurer from the race meeting**
11 **grounds admission fee shall be deposited in the state treasury to the credit of the "School**
12 **Building Revolving Fund" pursuant to section 166.300. Moneys deposited into the "School**
13 **Building Revolving Fund" shall be considered state funds pursuant to Article IV, Section**
14 **15 of the Missouri Constitution.**

2 [313.632. All contracts and agreements for the payment of money and all
salaries, fees and compensation paid by any organization licensed as hereinbefore

3 provided, and all proposed extensions, additions, or improvements to the buildings,
4 stables, improvements or tracks upon property owned or leased by such licensee shall
5 be subject to the approval of the commission.]

313.640. 1. Every individual participating in horse racing, whether as a [racetrack]
2 licensee, holder of any interest in a [racetrack license] **licensee**, association employee,
3 concessionaire contract holder, and owner or general manager of same, concessionaire employee,
4 or racing official, and all other individuals whose duties require them to be present on
5 [association premises] **race meeting grounds** during racing hours, or to regularly visit such
6 premises during racing hours, are required to have an occupation license from the commission
7 authorizing them to be employed on the licensed premises and to practice their business,
8 profession or skill. The following individuals are not required to obtain an occupation license:

9 (1) Public officers and public employees engaged in the performance of their official
10 duties; and

11 (2) Individuals exempted by the commission.

12 License applicants shall be required to furnish to the commission a set of fingerprints
13 and a recent photograph and shall be required to be refingerprinted or rephotographed
14 periodically.

15 2. Each application for an occupation license shall be on forms prescribed by the
16 commission. Such occupation license, when issued, shall be for a period up to one year, except
17 that the commission in its discretion may grant up to three-year licenses. **An occupational**
18 **license shall not be granted unless the applicant has, through clear and convincing**
19 **evidence, demonstrated his or her suitability to be licensed. The commission may reopen**
20 **occupational licensing hearings at any time.** The application shall be accompanied by a
21 license fee which shall be set by the commission. Each applicant **for an occupational license**
22 shall set forth in the application his **or her** full name and address, and if he **or she** has been
23 issued prior occupation licenses or has been licensed in any other state under any other name,
24 such name, his **or her** age, whether a permit or license issued to him **or her** in any other state
25 has been suspended or revoked and if so whether such suspension or revocation is in effect at the
26 time of the application, and such other information as the commission may require. [The
27 commission shall also determine fees for registration of stable names. Fees collected for
28 registration of stable names shall be deposited in the state treasury to the credit of general
29 revenue and subject to appropriation as provided by law.]

30 3. The commission may in its discretion refuse an occupation license to any individual:

31 (1) Who has been convicted of a crime;

32 (2) Who is unqualified to perform the duties required of such applicant;

33 (3) Who fails to disclose or states falsely any information called for in the application;

34 (4) Who has been found guilty of a violation of sections 313.500 to [313.710] **313.720**

35 or of the rules and regulations of the commission;

36 (5) Whose occupation license or permit has been suspended, revoked or denied for just
37 cause in any state;

38 (6) Who is a past or present member or participant in organized crime as such
39 membership or participant may be found or determined by the commission;

40 (7) Who is an illegal alien;

41 (8) Who is an employee of the commission or any spouse, child, brother, sister, or parent
42 of an employee or member of the commission; or

43 (9) For any other just cause.

44 4. The commission may suspend or revoke any occupation license:

45 (1) For violation of any of the provisions of sections 313.500 to [313.710] **313.720**; or

46 (2) For violation of any of the rules or regulations of the commission; or

47 (3) For any cause which, if known to the commission, would have justified the
48 commission in refusing to issue such occupation license; or

49 (4) For any other just cause.

50 5. [At least eighty percent of all individuals employed directly at each and every race
51 meeting by an organization licensed to conduct horse racing under sections 313.500 to 313.710
52 shall be residents of the state of Missouri for a period of ninety days next preceding the date of
53 employment and during the course of employment.

54 6.] In acting on applications for organization licenses, the commission shall require all
55 applicants to implement a good faith affirmative action effort to recruit, train and upgrade
56 minorities in all classifications of employment by the applicant. The applicant shall furnish the
57 commission with a description of plans for compliance with all laws pertaining to discrimination,
58 equal employment, and affirmative action; policies regarding recruitment, use, and advancement
59 of minorities; policies with respect to minority contracting; a copy of Equal Employment
60 Opportunity Statement and Policy of the applicant dated and signed by the chief executive
61 officer; and a copy of Affirmative Action Policy and Procedures dated and signed; and
62 identification of the affirmative action officer, including name, title, address, and telephone
63 number.

313.652. 1. Any [organization licensed by the commission to conduct a horse race
2 meeting] **licensee** may provide places in the race meeting grounds or enclosure and may conduct
3 and supervise therein the pari-mutuel system of wagering by patrons [of] **on** the [horse] races
4 conducted by such organization licensee at such **race** meeting **or on simulcasts**.

5 2. No other [place or] method of betting, pool making, wagering or gambling shall be
6 used or permitted by the [racetrack] licensee. Each [racetrack] licensee shall deduct the
7 following amounts on all **live** races conducted by it: eighteen percent of the regular mutuel pool,

8 twenty percent of the multiple mutuel pool involving two horses, and twenty-five percent of the
9 multiple mutuel pool involving three or more horses. "Regular mutuel pool" means a separate
10 wagering pool in which an interest is represented by a single ticket evidencing a single wager on
11 one horse. "Multiple mutuel pool" means a separate wagering pool in which an interest is
12 represented by a single wager on two or more horses. For the first one hundred million dollars
13 of the total pari-mutuel pool for [the licensed race meeting] **live races**, each racetrack licensee
14 shall apply the amounts deducted as follows:

15 (1) One percent of the regular mutuel pools, one and one-quarter percent of the multiple
16 mutuel pools involving two horses, and one and one-half percent of the multiple mutuel pools
17 involving three or more horses shall be paid to the commission;

18 (2) Eight percent of the regular mutuel pools, eight and three-quarters percent of the
19 multiple mutuel pools involving two horses, and eleven percent of the multiple mutuel pools
20 involving three or more horses shall be allocated for purse money. The formula for distribution
21 of the purse money shall be determined by an agreement between an organization representing
22 **a majority of** the horsemen and the tracks, the agreement to be subject to the approval of the
23 commission;

24 (3) One-half of one percent of the regular mutuel pools, three-quarters of one percent of
25 the multiple mutuel pools involving two horses, and one percent of the multiple mutuel pools
26 involving three or more horses shall be [used for breeder incentives. The method of payment and
27 distribution of breeder incentives shall be set forth by the commission in rules] **paid to the**
28 **Missouri breeders fund**;

29 (4) Eight and one-half percent of the regular mutuel pools, nine and one-quarter percent
30 of the multiple mutuel pools involving two horses, and eleven and one-half percent of the
31 multiple mutuel pools involving three or more horses shall be retained by the licensee.

32 3. For the next fifty million dollars of the total pari-mutuel pool for the [licensed race
33 meeting] **live races**, each racetrack licensee shall apply the amount deducted as follows:

34 (1) Two percent of the regular mutuel pools, two percent of the multiple mutuel pools
35 involving two horses, and two percent of the multiple mutuel pools involving three or more
36 horses shall be paid to the commission;

37 (2) Seven and one-half percent of the regular mutuel pools, eight and one-half percent
38 of the multiple mutuel pools involving two horses, and ten and one-half percent of the multiple
39 mutuel pools involving three or more horses shall be allocated for purse money. The formula
40 for distribution of the purse money shall be determined by an agreement between an organization
41 representing the horsemen and the tracks, the agreement to be subject to the approval of the
42 commission;

43 (3) One-half of one percent of the regular mutuel pools, three-quarters of one percent of

44 the multiple mutuel pools involving two horses, and one percent of the multiple mutuel pools
45 involving three or more horses shall be [used for breeder incentives. The method of payment and
46 distribution of breeder incentives shall be set forth by the commission in rules] **paid to the**
47 **Missouri breeders fund;**

48 (4) Eight percent of the regular mutuel pools, eight and three-quarters percent of the
49 multiple mutuel pools involving two horses, and eleven and one-half percent of the multiple
50 mutuel pools involving three or more horses shall be retained by the licensee.

51 4. For all amounts of the total pari-mutuel pool for the [licensed race meeting] **live races**
52 in excess of one hundred fifty million dollars, each racetrack licensee shall apply the amount
53 deducted as follows:

54 (1) Four percent of the regular mutuel pools, four percent of the multiple mutuel pools
55 involving two horses, and four percent of the multiple mutuel pools involving three or more
56 horses shall be paid to the commission;

57 (2) Six and one-half percent of the regular mutuel pools, seven and one-quarter percent
58 of the multiple mutuel pools involving two horses, and nine and one-half percent of the multiple
59 mutuel pools involving three or more horses shall be allocated for purse money. The formula
60 for distribution of the purse money shall be determined by an agreement between an organization
61 representing the horsemen and the tracks, the agreement to be subject to the approval of the
62 commission;

63 (3) One-half of one percent of the regular mutuel pools, three-quarters of one percent of
64 the multiple mutuel pools involving two horses, and one percent of the multiple mutuel pools
65 involving three or more horses shall be [used for breeder incentives. The method of payment and
66 distribution of breeder incentives shall be set forth by the commission in rules] **paid to the**
67 **Missouri breeders fund;**

68 (4) Seven percent of the regular mutuel pools, eight percent of the multiple mutuel pools
69 involving two horses, and ten and one-half percent of the multiple mutuel pools involving three
70 or more horses shall be retained by the licensee.

71 5. Each [racetrack] licensee shall pay to the commission, within three days after each day
72 of racing, a tax at the rate specified in this section on the total amount of money wagered on all
73 races that day. The payment of the tax shall be accompanied by a statement of the [racetrack]
74 licensee, or his **or her** duly authorized agent under oath, showing the amount of money wagered
75 that day.

76 6. Breakage paid in the Missouri horse racing fund shall not be specially allocated for
77 purse money for special races, for breeder and owner awards and for horse racing development;
78 however, breakage may be used for these purposes.

79 7. Unclaimed winnings paid into the Missouri horse racing fund shall not be specially

80 allocated for purse money for special races, for breeder and owner awards and for horse racing
81 development; however, unclaimed winnings may be used for these purposes.

82 [8. All moneys provided for breeder incentives shall not lapse and interest earned on
83 such moneys shall be credited the account. The provisions of section 33.080, RSMo, to the
84 contrary notwithstanding, these funds shall not be transferred and placed to the credit of the
85 general revenue fund at the end of each biennium.]

313.655. 1. [An organization licensed to conduct racing in this state, with the approval
2 of the commission,] **Any licensee** may contract to conduct pari-mutuel wagering on a simulcast
3 of horse races held at racetracks in this state or other states or countries where the conduct of
4 racing and wagering is permitted by law.

5 2. Any wagering made under this section shall take place within the confines of the
6 licensee's [racetrack] **race meeting grounds** pursuant to rules promulgated by the commission.
7 [The licensed racetrack may simulcast up to, but not more than the number of days in which it
8 conducts live racing.] **A licensee may conduct pari-mutuel wagering on simulcasts with no**
9 **limit on the number or frequency of such simulcasts at locations within its race meeting**
10 **grounds.**

11 3. Computation of the total takeout and breakage for wagering made under this section
12 shall be the same as that normally applicable to racing conducted by the licensee.

13 4. After deducting from the takeout the applicable tax of this state on the entire
14 pari-mutuel pool, the amount to be paid under the terms of the contract to the racetrack from
15 which the race or races will be simulcast, and the cost of transmission, the remainder shall be
16 allocated in the same proportions as normally applicable to racing conducted by the licensee.

17 5. The terms and conditions of any contract [with a racetrack] **for simulcasting from**
18 **race meeting grounds** made [under] **pursuant to** this section are subject to the approval of the
19 respective groups which represent a majority of the horsemen racing at the track licensed by the
20 commission and a majority of the applicable breeders in this state.

21 [6.] The provisions of the Federal Interstate [Horseracing] **Horse Racing** Act of 1978,
22 Title 15, Sections 3001 [through] **to** 3007, [U.S. Code] **U.S.C.**, shall be instructive regarding the
23 intent of this [section] **subsection.**

24 **6. A licensee may contract with a race track or off-track betting system in another**
25 **jurisdiction outside Missouri so that the licensee's live races are the subject of simulcasting**
26 **outside this state. Pari-mutuel wagering on the licensee's live races is permitted when**
27 **approved by the licensee and conducted in accordance with the Interstate Horse Racing**
28 **Act of 1978, Title 15, Section 3001 to 3007, U.S.C. as amended. The revenue that a licensee**
29 **receives from such simulcast wagering shall be retained by the licensee, subject to a**
30 **deduction of that amount allocated to purse money as determined by an agreement**

31 **between the licensee and the organization that represents a majority of the horsemen**
32 **racing at the track.**

313.660. 1. No individual shall for a fee, directly or indirectly, accept anything of value
2 to be wagered or to be transmitted or delivered for wager in any pari-mutual system of wagering
3 on horse racing or for a fee deliver anything of value which has been received outside of [the
4 enclosure of a racetrack holding a horse race licensed under sections 313.500 to 313.710 to be
5 placed as wagers in the pari-mutual pool within such enclosure.

6 **2.] race meeting grounds licensed pursuant to sections 313.500 to 313.720.** Any
7 individual violating the provisions of this section shall upon conviction be guilty of a class C
8 felony.

9 **2. A person is guilty of a class A misdemeanor for any of the following:**

10 **(1) Operating pari-mutual wagering without a license issued by the commission;**
11 **or**

12 **(2) Operating pari-mutual wagering where wagering is permitted other than in the**
13 **manner specified by sections 313.500 to 313.720.**

313.662. A licensee shall allow patrons to cash an outstanding pari-mutual ticket
2 **for a given race up to one hundred eighty days from the date on which said race is made**
3 **official. Tickets which are not redeemed within such time become valueless and the sum**
4 **of money represented by them shall accrue to the licensee.**

313.670. 1. No [racetrack] licensee shall knowingly permit any individual under the age
2 of eighteen years unless accompanied by a parent or guardian over the age of eighteen to be
3 admitted to any pari-mutual wagering area during a race meeting, nor shall any [racetrack]
4 licensee knowingly permit any person under the age of eighteen years to wager on any [horse]
5 race conducted by the [organization] licensee.

6 2. No individual under the age of eighteen years shall knowingly make or attempt to
7 make any wager on any horse race subject to the provisions of sections 262.260 to 262.270,
8 RSMo, and 313.500 to [313.710] **313.720.**

9 3. Any individual who violates this section shall upon conviction be guilty of a class A
10 misdemeanor.

[313.710. A program to encourage and award the owners and breeders of
2 Missouri-bred horses that win horse races in this state may be established by rules
3 and regulations promulgated by the commission.]

313.720. 1. There is hereby created a "Missouri Breeders Fund", which shall not
2 represent revenue collected and moneys received by the state. **The fund shall be used to**
3 **establish a program to encourage and reward the owners and breeders of Missouri-bred**
4 **horses that win horse races in this state. Such a program may be established by rules and**
5 **regulations promulgated by the commission. The program shall include a "Missouri Bred"**

6 **event within two years of the first race held and such event will be held at least twice each**
7 **calendar year.**

8 2. The fund shall consist of those funds set aside for breeder incentives as provided in
9 [section 313.710] **sections 313.500 to 313.720**, such registration fees for the owners and breeders
10 of Missouri-bred horses as the commission may provide by rule, such gifts, or bequests as the
11 fund may from time to time receive and such funds as the general assembly may provide. [Any
12 gift or bequest shall be credited to such account as the donor or devisee may provide. If no
13 specific account is provided by the donor or designee, such gift or bequest shall be divided
14 equally among the three accounts.]

15 3. The Missouri breeders fund shall be administered by the commission, with the advice
16 and assistance of advisory committees designated for that purpose by the rules of the
17 commission. The commission shall, at least biennially, carry out such audits as provided by rule.
18 The costs of administration shall be borne by the fund. The commission shall have authority to
19 promulgate such rules as may be necessary or desirable for the efficient operation of the Missouri
20 breeders fund and to provide incentives for breeders and owners of Missouri-bred horses.

21 4. The Missouri breeders fund shall not lapse and the interest earned on such fund shall
22 be credited to the fund. The provisions of section 33.080, RSMo, to the contrary
23 notwithstanding, funds in the Missouri breeders fund shall not be transferred and placed to the
24 credit of the general revenue fund at the end of each biennium.