SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR SENATE BILL 645

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

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE; LIMITING THE NUMBER OF RACETRACK CASINOS TO FIVE.

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

SECTION 1. Section 60-2E-16 NMSA 1978 (being Laws 1997, Chapter 190, Section 18, as amended) is amended to read:

"60-2E-16. ACTION BY BOARD ON APPLICATIONS.--

- A. A person that the board determines is qualified to receive a license pursuant to the provisions of the Gaming Control Act may be issued a license. The burden of proving qualifications is on the applicant.
- B. A license shall not be issued unless the board is satisfied that the applicant is:
- (1) a person of good moral character, honesty and integrity;

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(2) a person whose prior activities, state and
federal criminal records, reputation, habits and associations
do not pose a threat to the public interest or to the effective
regulation and control of gaming or create or enhance the
dangers of unsuitable, unfair or illegal practices, methods and
activities in the conduct of gaming or the carrying on of the
business and financial arrangements incidental thereto; and

- (3) in all other respects qualified to be licensed consistent with the laws of this state.
- C. A license shall not be issued unless the applicant has satisfied the board that:
- (1) the applicant has adequate business probity, competence and experience in business and gaming;
- (2) the proposed financing of the applicant is adequate for the nature of the proposed license and from a suitable source; any lender or other source of money or credit that the board finds does not meet the standards set forth in Subsection B of this section shall be deemed unsuitable; and
- (3) the applicant is sufficiently capitalized under standards set by the board to conduct the business covered by the license.
- D. An application to receive a license, certification or work permit constitutes a request for a determination of the applicant's general moral character, integrity and ability to participate or engage in or be

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associated with gaming. Any written or oral statement made in the course of an official proceeding of the board or by a witness testifying under oath that is relevant to the purpose of the proceeding is absolutely privileged and does not impose liability for defamation or constitute a ground for recovery in any civil action.

E. The board shall not issue a license or certification to an applicant who has previously been denied a license or certification in this state or another state, who has had a certification, permit or license issued pursuant to the gaming laws of a state or the United States permanently suspended or revoked for cause or who is currently under suspension or subject to any other limiting action in this state or another state involving gaming activities or licensure for gaming activities, unless the violation that is the basis of the denial, permanent suspension or other limiting action regarding a license, certification or permit applied for or issued in this state or another state is determined by the board to be a technical violation, and, if the board finds the violation to be a technical violation, the board may choose to issue a license or certification.

F. The board shall not issue a gaming operator

license to a person who has been issued a racetrack license

pursuant to the Horse Racing Act unless there are fewer than

five racetrack licensees who possess a valid gaming operator

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indirectly with a licensee.

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license.

2 $[F_{\bullet}]$ G. The board shall investigate the 3 qualifications of each applicant before a license, 4 certification or work permit is issued by the board and shall 5 continue to observe and monitor the conduct of all licensees, work permit holders, persons certified as being suitable and 6 7 the persons having a material involvement directly or

[G.] H. The board has the authority to deny an application or limit, condition, restrict, revoke or suspend a license, certification or permit for any cause.

[H.] I. After issuance, a license, certification or permit shall continue in effect upon proper payment of the initial and renewal fees, subject to the power of the board to revoke, suspend, condition or limit licenses, certifications and permits.

[1.] J. The board has full and absolute power and authority to deny an application for any cause it deems reasonable. If an application is denied, the board shall prepare and file its written decision on which its order denying the application is based."

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