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HOUSE BILL 331

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

INTRODUCED BY

Patricio Ruiloba

AN ACT

RELATING TO GAMING; PROVIDING THAT HOURS USED FOR GAMING
MACHINE MAINTENANCE OR TRAINING PURPOSES SHALL NOT BE INCLUDED
IN THE TIME LIMITATIONS FOR WHICH GAMING MACHINES MAY BE
OPERATED; PROVIDING THAT GAMING MACHINES SHALL NOT BE REQUIRED
TO CEASE OPERATION DUE TO THE UNAVAILABILITY OF THE GAMING
CONTROL BOARD'S CENTRAL MONITORING SYSTEM; AMENDING
SPECIFICATIONS FOR GAMING MACHINES.

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

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

"60-2E-27. GAMING OPERATOR LICENSEES--SPECIAL CONDITIONS
FOR RACETRACKS--NUMBER OF GAMING MACHINES--DAYS AND HOURS OF
OPERATIONS.--

A. A racetrack licensed by the state racing

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1 commission pursuant to the Horse Racing Act to conduct live
2 horse races or simulcast races may be issued a gaming
3 operator's license to operate gaming machines on its premises
4 where live racing is conducted.

5 B. A racetrack's gaming operator's license shall
6 automatically become void if:

7 (1) the racetrack no longer holds an active
8 license to conduct pari-mutuel wagering;

9 (2) the racetrack paid gaming tax to the state
10 on its net take in an amount greater than eight million dollars
11 (\$8,000,000) in the prior fiscal year pursuant to Section
12 60-2E-47 NMSA 1978 and fails to maintain a minimum of four live
13 race days a week with at least nine live races on each race day
14 during its licensed race meet, except as provided in Subsection
15 [F] G of this section; or

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

23 C. Unless a larger number is allowed pursuant to
24 Subsection D of this section, a gaming operator licensee that
25 is a racetrack may have up to six hundred licensed gaming

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1 machines.

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

17 E. Gaming machines on a racetrack gaming operator
18 licensee's premises may be played only on days when the
19 racetrack is either conducting live horse races or simulcasting
20 horse race meets. On days when gaming machines are permitted
21 to be operated, a racetrack gaming operator licensee may offer
22 gaming machines for operation for up to eighteen hours per day;
23 provided that the total number of hours in which gaming
24 machines are operated does not exceed one hundred twelve hours
25 in a one-week period beginning on Tuesday at 8:00 a.m. and

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1 ending at 8:00 a.m. on the following Tuesday; provided further
2 that these limitations do not apply to time used for gaming
3 machine maintenance or training purposes for staff. A
4 racetrack gaming operator licensee may offer gaming machines
5 for play at any time during a day; provided that the total
6 hours of operation in each day from just after midnight of the
7 previous day until midnight of the current day does not exceed
8 eighteen hours. A racetrack gaming operator licensee shall
9 determine, within the limitations imposed by this subsection,
10 the hours it will offer gaming machines for operation each day
11 and shall notify the board in writing of those hours.

12 F. A gaming operator licensee shall not be required
13 to cease operation of gaming machines due to the unavailability
14 of the board's central monitoring system; provided that the
15 licensee's gaming machines are sufficiently monitored by a
16 third party.

17 [~~F.~~] G. Maintaining fewer live race days or fewer
18 live races on each race day during a licensed race meet does
19 not constitute a failure to maintain the minimum number of live
20 race days or races as required by Paragraphs (2) and (3) of
21 Subsection B of this section if the licensee submits to the
22 board written approval by the state racing commission for the
23 licensee to vary the minimum number of live race days or races,
24 and the variance is due to:

- 25 (1) the inability of a racetrack gaming

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1 operator licensee to fill races as published in the licensee's
2 condition book as long as the same type of canceled race is run
3 within the following two race weeks as the race season permits;

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

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

8 (4) a power outage, electrical failure or
9 failure or unavailability of any equipment or supplies
10 necessary to conduct a race or meet;

11 (5) hazardous conditions or other threats to
12 the public health or safety; or

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

16 [~~G-~~] H. Alcoholic beverages shall not be sold,
17 served, delivered or consumed in the area restricted pursuant
18 to Subsection F of Section 60-2E-26 NMSA 1978."

19 **SECTION 2.** Section 60-2E-44 NMSA 1978 (being Laws 1997,
20 Chapter 190, Section 46, as amended) is amended to read:

21 "60-2E-44. MACHINE SPECIFICATIONS.--To be eligible for
22 licensure, each gaming machine shall meet all specifications
23 established by regulations of the board and:

24 A. be unable to be manipulated in a manner that
25 affects the random probability of winning plays or in any

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1 other manner determined by the board to be undesirable;

2 B. have at least one mechanism that accepts coins
3 or currency;

4 C. be capable of having play suspended through
5 the central system by the executive director until ~~he~~ the
6 executive director resets the gaming machine;

7 D. house nonresettable ~~mechanical and~~
8 electronic meters within a readily accessible locked area of
9 the gaming machine that maintain a ~~permanent~~ record of all
10 money inserted into the machine, all cash payouts of
11 winnings, all refunds of winnings, all credits played for
12 additional games and all credits won by players;

13 E. be capable of printing out, at the request of
14 the executive director, readings on the electronic meters of
15 the machine;

16 F. for machines that do not dispense coins or
17 tokens directly to players, be capable of printing a ticket
18 voucher stating the value of a cash prize won by the player
19 at the completion of each game, the date and time of day the
20 game was played in a twenty-four-hour format showing hours
21 and minutes, the machine serial number, the sequential number
22 of the ticket voucher and an encrypted validation number for
23 determining the validity of a winning ticket voucher;

24 G. be capable of being linked to the board's
25 central system for the purpose of being monitored

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1 continuously as required by the board;

2 H. provide for a payback value for each credit
3 wagered, determined over time, of not less than eighty
4 percent;

5 I. meet the standards and specifications set by
6 laws or regulations of the states of Nevada and New Jersey
7 for gaming machines, whichever are more stringent;

8 J. offer only games authorized and examined by
9 the board; and

10 K. display the gaming machine license issued for
11 that machine in an easily accessible place, before and during
12 the time that a machine is available for use."