

CHAPTER 26

REVENUE - ACTIVITIES REGULATION

HOUSE BILL 18-1024

BY REPRESENTATIVE(S) Lee, Gray, Kraft-Tharp, Rosenthal;
also SENATOR(S) Kagan, Cooke, Tate.

AN ACT

CONCERNING THE NONSUBSTANTIVE RELOCATION OF LAWS RELATED TO THE REGULATION OF RACING FROM TITLE 12, COLORADO REVISED STATUTES, TO A NEW TITLE 44 AS PART OF THE ORGANIZATIONAL RECODIFICATION OF TITLE 12.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** title 44 as follows:

TITLE 44
ACTIVITIES REGULATED BY THE
DEPARTMENT OF REVENUE

ARTICLE 1
Common Provisions

44-1-101. Short title. THE SHORT TITLE OF THIS TITLE 44 IS THE "DEPARTMENT OF REVENUE ACTIVITIES REGULATION ACT".

44-1-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) BEFORE THE ENACTMENT OF THIS TITLE 44, LAWS ADMINISTERED BY THE DEPARTMENT OF REVENUE THAT REGULATE A VARIETY OF ACTIVITIES WERE CODIFIED IN TWO TITLES OF THE COLORADO REVISED STATUTES, MOST PROMINENTLY IN TITLE 12, WHICH GOVERNS PROFESSIONS AND OCCUPATIONS;

(b) MOST PROFESSIONS AND OCCUPATIONS ARE REGULATED BY THE DEPARTMENT OF REGULATORY AGENCIES PURSUANT TO TITLE 12, BUT PRIOR TO THE 2017 LEGISLATIVE SESSION, TITLE 12 CONTAINED NUMEROUS LAWS THAT DID NOT PERTAIN

Capital letters or bold & italic numbers indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

TO THE REGULATION OF PROFESSIONS AND OCCUPATIONS AND WERE NOT ADMINISTERED BY THE DEPARTMENT OF REGULATORY AGENCIES;

(c) WITH THE ENACTMENT OF SECTION 2-3-510 IN 2016, THE GENERAL ASSEMBLY DIRECTED THE OFFICE OF LEGISLATIVE LEGAL SERVICES TO STUDY AN ORGANIZATIONAL RECODIFICATION OF TITLE 12 OF THE COLORADO REVISED STATUTES, INCLUDING RELOCATING LAWS THAT DO NOT PERTAIN TO PROFESSIONS AND OCCUPATIONS AND ARE NOT ADMINISTERED BY THE DEPARTMENT OF REGULATORY AGENCIES;

(d) BASED ON RECOMMENDATIONS FROM THE TITLE 12 RECODIFICATION STUDY, THE GENERAL ASSEMBLY ENACTED SEVERAL BILLS IN THE 2017 LEGISLATIVE SESSION TO RELOCATE OUT OF TITLE 12 MANY LAWS THAT ARE ADMINISTERED BY ENTITIES OTHER THAN THE DEPARTMENT OF REGULATORY AGENCIES;

(e) THE STUDY ALSO RECOMMENDED CREATING A NEW TITLE 44 FOR PURPOSES OF CONSOLIDATING LAWS ADMINISTERED BY THE DEPARTMENT OF REVENUE THAT REGULATE ACTIVITIES INTO A SINGLE TITLE IN ORDER TO FACILITATE BOTH:

(I) THE PUBLIC'S AND REGULATED ENTITIES' UNDERSTANDING OF THE LAWS THAT APPLY TO THEM; AND

(II) THE DEPARTMENT OF REVENUE'S ADMINISTRATION OF THESE LAWS; AND

(f) CREATING A NEW TITLE 44 CONSISTING OF LAWS ADMINISTERED BY THE DEPARTMENT OF REVENUE THAT REGULATE VARIOUS ACTIVITIES IS NECESSARY TO IMPLEMENT THE RECOMMENDATIONS OF THE TITLE 12 RECODIFICATION STUDY AND FACILITATE THE REORGANIZATION OF TITLE 12 PERTAINING TO THE REGULATION OF PROFESSIONS AND OCCUPATIONS.

44-1-103. Definitions. AS USED IN THIS TITLE 44, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE CREATED IN SECTION 24-1-117.

(2) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE DEPARTMENT.

SECTION 2. In Colorado Revised Statutes, **add with amended and relocated provisions** article 32 to title 44 as follows:

ARTICLE 32 Racing

PART 1 GENERAL PROVISIONS

44-32-101. [Formerly 12-60-101] Legislative declaration. The general assembly declares that the provisions of this ~~article~~ ARTICLE 32 are enacted in the exercise of the police powers of this state for the protection of the health, peace,

safety, and general welfare of the people of this state; for the purpose of promoting racing and the recreational, entertainment, and commercial benefits to be derived therefrom; to raise revenue for the general fund; to establish high standards of sport and fair play; for the promotion of the health and safety of the animals involved in racing events; and to foster honesty and fair dealing in the racing industry. To these ends, this ~~article~~ ARTICLE 32 shall be liberally construed.

44-32-102. [Formerly 12-60-102] Definitions - rules. As used in this ~~article~~ ARTICLE 32, unless the context otherwise requires:

(1) "Breakage" means the odd cents by which the amount payable on each dollar wagered in a pari-mutuel pool exceeds a multiple of ten cents.

~~(2) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1583, § 1, effective May 21, 2009.)~~

~~(3)~~ (2) (a) "Class A track" means a track, located within the state of Colorado, at which a race meet of horses is conducted and ~~which~~ THAT is not a class B track.

(b) "Class A track" includes a reopening class A track that has not run a meet within the past three years. Such class A track may begin to operate as a simulcast facility after the commission has approved its application for simulcasting and its application for race dates to hold a race meet within the following twelve months. Applications submitted to the commission shall include a provision for the establishment of a purse fund that complies with this ~~article~~ ARTICLE 32 and the rules of the commission.

~~(4)~~ ~~(a)~~ (3) "Class B track" means a track, located within the state of Colorado, at which a race meet of horses, consisting of thirty or more race days, is being conducted or was being conducted during the immediately preceding twelve months.

~~(H)~~ ~~(Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1583, § 1, effective May 21, 2009.)~~

~~(b)~~ ~~(Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1583, § 1, effective May 21, 2009.)~~

~~(5)~~ (4) "Commission" means the Colorado racing commission created in part 3 of this ~~article~~ ARTICLE 32.

~~(6)~~ (5) "Cross simulcasting" means the receipt of a simulcast race of greyhounds at an out-of-state host track by a simulcast facility that is located on the premises of a track that is licensed to race horses.

~~(7)~~ (6) "Director" means the director of the division of racing events.

~~(8)~~ (7) "Division" means the division of racing events created in part 2 of this ~~article~~ ARTICLE 32.

~~(9)~~ "Executive director" means the executive director of the department of

revenue organized as provided in the "Administrative Organization Act of 1968", article 1 of title 24, C.R.S.

~~(10) Repealed.~~

~~(11)~~ (8) "Horse track" means either a class A track or a class B track.

~~(12)~~ (9) "Host track" means either an in-state host track or an out-of-state host track.

~~(13)~~ (10) "In-state host track" means a track, located within the state of Colorado, at which a race meet of horses is conducted.

~~(14)~~ (11) (a) "In-state simulcast facility" means:

(I) A class A or class B horse track at which a licensee has held within the preceding twelve months or is licensed and scheduled to hold within the following twelve months a race meet of at least the duration required of a class A or class B track;

~~(II) Repealed.~~

~~(III) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1583, § 1, effective May 21, 2009.)~~

~~(IV)~~ (II) An additional facility that is operated by and is the responsibility of the licensee of a class B horse track, located in Colorado, and used for the handling of wagers placed on simulcast races received by the track or facility. The number of additional facilities 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~~ ARTICLE 32. The additional facilities must be licensed in accordance with section ~~12-60-504~~ 44-32-504 and must not be located within fifty miles of any class B horse track operated by another licensee without the written consent of the other licensee. The commission shall establish by rule the means of obtaining the consent.

(b) If an additional facility is jointly owned or operated as a simulcast facility by two or more licensees, ~~such~~ THE additional facility shall be deemed to be one of the additional simulcast facilities of only one of ~~such~~ THE licensees, as designated in writing to the commission.

(c) The commission, for good cause, may grant a licensed class A horse track permission to receive simulcast races at an alternate location within five miles of its track during the times when the track is not in operation.

~~(15)~~ (12) "Interstate common pool" means a pari-mutuel pool established at one location, usually but not necessarily at a host track, within which pool are combined comparable pari-mutuel pools of one or more simulcast facilities upon a race run at the host track for purposes of establishing payoff prices in the various states. There may be simulcast facilities in more than one state simultaneously combining pari-mutuel pools into the common pool of the host track. Where permitted by the laws and rules of the states in which the host track and the simulcast facilities are

located and with the concurrence of the host track, the combined pari-mutuel pool may be established on a regional or other basis between two or more simulcast facilities and need not involve a merger into the host track's pari-mutuel pool. In such instances, one of the simulcast facilities shall serve as if it were the host track for the purposes of holding the common pool and calculating payoffs. The interstate common pool shall be as specified in the written simulcast racing agreement between the host track and the person operating the simulcast facility receiving ~~such~~ THE simulcast races.

~~(16)~~ (13) "Intrastate common pool" means a pari-mutuel pool, established for an in-state host track, ~~which~~ THAT includes wagers made at the in-state host track as well as wagers made at in-state simulcast facilities on simulcast races of live races run at the in-state host track.

~~(17)~~ (14) "Licensee" means any person holding a current, valid race meet license issued pursuant to ~~section 12-60-505~~ SECTION 44-32-505 and any person holding a current, valid license or registration issued by the commission pursuant to ~~section 12-60-503~~ SECTION 44-32-503 and ~~section 12-60-504~~ SECTION 44-32-504. The commission, by rule, shall determine which occupational categories shall be licensed and which shall be registered. Except in connection with the licensing of race meets, the term "license" includes a registration and "applicant" includes an applicant for a registration.

~~(18)~~ (15) "Out-of-state host track" means a track, located within a state other than Colorado, ~~which~~ THAT is licensed or otherwise properly authorized under the laws of ~~such~~ THE state to conduct live races of horses or greyhounds and to broadcast ~~such~~ THE races as simulcast races and ~~which~~ THAT broadcasts ~~such~~ THE simulcast races to an in-state simulcast facility.

~~(19)~~ (16) "Out-of-state simulcast facility" means a track or other facility, located within a jurisdiction other than Colorado, at which pari-mutuel wagers are placed or accepted, either in person or electronically, on simulcast races pursuant to proper authorization under the laws of ~~such~~ THE jurisdiction.

~~(20)~~ (17) "Pari-mutuel pool" means a wagering pool into which pari-mutuel wagers on a live race or on a simulcast race are taken.

~~(20.5)~~ (18) "Pari-mutuel wagering" means a form of wagering on the outcome of horse and greyhound races in which those who wager purchase tickets of various denominations on one or more horses or greyhounds from one or more pools and all like wagers from each race are pooled and the winning ticket holders are paid prizes from ~~such~~ THE pool in amounts proportional to the total receipts in the pool minus deductions authorized by statute.

~~(21)~~ (19) "Person" means any individual, partnership, firm, corporation, or association.

~~(22)~~ (20) "Race meet" means any live exhibition of racing involving horses registered within their breed, 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~~ SECTION 44-32-505, where the pari-mutuel system of wagering is used.

~~(23)~~ (21) "Simulcast facility" means either an in-state simulcast facility or an out-of-state simulcast facility.

~~(24)~~ (22) "Simulcast race" means a live, audio-visual broadcast, transmitted simultaneously with either the performance of a live race of horses or greyhounds by an out-of-state host track or the performance of a live race of horses by an in-state host track, that is received by a simulcast facility.

~~(25) Repealed.~~

~~(25.5)~~ (23) "Source market fee" means a licensing fee, assessed by the director pursuant to ~~section 12-60-202 (3)(h)~~ SECTION 44-32-202 (3)(h), in lieu of taxes and fees otherwise payable under this ~~article~~ ARTICLE 32, payable by persons outside of Colorado who conduct pari-mutuel wagering on simulcast races and who accept wagers from Colorado residents at out-of-state simulcast facilities.

~~(26)~~ (24) "Track" or "racetrack" means a track that is located within the state of Colorado and at which a race meet of horses is conducted under a license granted pursuant to ~~section 12-60-505~~ SECTION 44-32-505.

44-32-103. [Formerly 12-60-103] Division and commission subject to termination. The provisions of section 24-34-104 C.R.S., concerning the termination schedule for regulatory bodies of the state, unless extended as provided in that section, are applicable to the division of racing events created by section ~~12-60-201~~ 44-32-201 and the Colorado racing commission created by section ~~12-60-301~~ 44-32-301.

PART 2
DIVISION OF RACING EVENTS

44-32-201. [Formerly 12-60-201] Division of racing events - creation - representation - rules. (1) There is hereby created, within the department, ~~of revenue~~, the division of racing events, the head of which shall be the director of the division of racing events. The director shall be appointed by, and shall be subject to removal by, the executive director of the department. ~~of revenue~~. The division of racing events, the Colorado racing commission created in ~~section 12-60-301~~ SECTION 44-32-301, and the director of the division of racing events shall exercise their respective powers and perform their respective duties and functions as specified in this ~~article~~ ARTICLE 32 under the department ~~of revenue~~ as if the same were transferred to the department by a **type 2** transfer, as such transfer is defined in the "Administrative Organization Act of 1968", article 1 of title 24; C.R.S.; except that the commission shall have full and exclusive authority to promulgate rules related to racing without any approval by, or delegation of authority from, the department. ~~of revenue~~.

(2) The division shall make investigations and shall request the commission or the district attorney of any district, as appropriate, to prosecute, on behalf of and in the name of the division, suits and proceedings for any of the purposes necessary and proper for carrying out the functions of the division.

44-32-202. [Formerly 12-60-202] Director - qualifications - powers and

duties -rules. (1) The director shall be qualified by training and experience to direct the work of the division; and, notwithstanding the provisions of section 24-5-101, ~~C.R.S.~~, shall be of good character and shall not have been convicted of any felony or gambling-related offense.

(2) The director shall not engage in any other profession or occupation that could present a conflict of interest with the director's duties as director of the division.

(3) The director, as administrative head of the division, shall direct and supervise all administrative and technical activities of the division. In addition to the duties imposed upon the director elsewhere in this ~~article~~ ARTICLE 32, it shall be the director's duty:

(a) To investigate, supervise, and administer the conduct of racing in accordance with the provisions of this ~~article~~ ARTICLE 32 and the rules of the commission;

(b) To attend meetings of the commission or to appoint a designee to attend in the director's place;

(c) To employ and direct ~~such~~ personnel as may be necessary to carry out the purposes of this ~~article~~ ARTICLE 32, but no person shall be employed who has been convicted of a felony or gambling-related offense, notwithstanding the provisions of section 24-5-101. ~~C.R.S.~~ The director by agreement may secure and provide payment for such services as the director may deem necessary from any department, agency, or unit of the state government and may employ and compensate such consultants and technical assistants as may be required and as otherwise permitted by law. Personnel employed by the director shall include but shall not be limited to a sufficient number of veterinarians, as defined in the "Colorado Veterinary Practice Act", article 64 of ~~this title~~ TITLE 12, so that at least one veterinarian employed by the director, or by the operator, as provided in ~~section 12-60-705 (1)~~ SECTION 44-32-706 (1), shall be present at every racetrack during weighing in of animals and at all times that racing is being conducted; and the director shall by rule authorize any such veterinarian to conduct physical examinations of animals, including without limitation blood and urine tests and other tests for the presence of prohibited drugs or medications, to ensure that the animals are in proper physical condition to race, to prohibit any animal from racing if it is not in proper physical condition to race, and to take other necessary and proper action to ensure the health and safety of racing animals and the fairness of races.

(d) To confer, as necessary or desirable and not less than once each quarter, with the commission on the conduct of racing;

(e) To make available for inspection by the commission or any member of the commission, upon request, all books, records, files, and other information and documents of the director's office;

(f) To advise the commission and recommend such rules and such other matters as the director deems necessary and advisable to improve the conduct of racing;

(g) To make a continuous study and investigation of the operation and the administration of similar laws ~~which~~ THAT may be in effect in other states or

countries, any literature on the subject ~~which~~ THAT from time to time may be published or available, any federal laws ~~which~~ THAT may affect the conduct of racing, and the reaction of Colorado citizens to existing and potential features of racing events in Colorado with a view to recommending or effecting changes that will tend to serve the purposes of this ~~article~~ ARTICLE 32;

(h) To establish and adjust fees for all licenses and registrations issued pursuant to this ~~article~~ ARTICLE 32 in an amount sufficient to generate revenue that approximates the direct and indirect cost of administering this ~~article~~ ARTICLE 32; except that an increase of more than ten percent in the fee for an occupational license or registration shall be subject to ratification by the commission. ~~Such~~ THE fees shall be credited to the racing cash fund created in ~~section 12-60-205~~ SECTION 44-32-205.

(i) To perform any other lawful acts ~~which~~ THAT the director and the commission may consider necessary or desirable to carry out the purposes and provisions of this ~~article~~ ARTICLE 32.

~~(4) Repealed.~~

~~(5)~~ (4) If so directed by the commission, the director may, on behalf of this state:

(a) Negotiate, enter into, and participate in one or more interstate compacts that enable party states to act jointly and cooperatively to create more uniform, effective, and efficient practices, programs, and rules relating to:

(I) Live horse and greyhound racing; and

(II) Pari-mutuel wagering activities, both on-track and off-track, that occur in or affect a party state;

(b) Serve as this state's authorized representative on a commission to negotiate one or more interstate compacts as described in ~~paragraph (a) of this subsection (5)~~ SUBSECTION (4)(a) OF THIS SECTION. If the compact commission undertakes to promulgate rules to be adopted by party states, the director shall endeavor to ensure that the process by which the rules are promulgated conforms substantially to the model state administrative procedure act of 1981, as amended, insofar as the terms of the model act are appropriate to the actions and operations of the compact commission.

44-32-203. [Formerly 12-60-203] Investigators - peace officers. (1) All investigators of the division of racing events, including the director and the executive director, shall for purposes of enforcement of this ~~article~~ ARTICLE 32 be considered peace officers as described in sections 16-2.5-101 and 16-2.5-126. ~~C.R.S.~~

(2) Nothing in this section shall be construed to prohibit local sheriffs, police departments, and other local law enforcement agencies or the Colorado bureau of investigation from enforcing the provisions of this ~~article~~ ARTICLE 32 or rules promulgated pursuant to this ~~article~~ ARTICLE 32, or from performing their other duties to the full extent permitted by law. All such sheriffs, police officers, district

attorneys, other local law enforcement agencies, or the Colorado bureau of investigation shall have all the powers set forth in subsection (1) of this section.

44-32-204. [Formerly 12-60-204] Board of stewards or judges. The division shall establish a board of three stewards or judges to assist in supervising the conduct of any race meet. Two members of the board of stewards or judges shall be employees of the division. The remaining member shall be an employee of the track at which the race meet is held, shall be subject to the approval of the commission, and may be removed by the commission at any time for any reason ~~which~~ THAT the commission deems good and sufficient.

44-32-205. [Formerly 12-60-205] Racing cash fund. (1) The racing cash fund is hereby established in the state treasury. Subject to appropriation by the general assembly, the division shall use the ~~moneys~~ MONEY in the racing cash fund for the direct and indirect costs of administering this ~~article~~ ARTICLE 32.

(2) ~~Moneys~~ MONEY in the racing cash fund at the end of any fiscal year shall remain in the racing cash fund and shall not revert to the general fund or any other fund. The racing cash fund shall be maintained in accordance with section 24-75-402. ~~C.R.S.~~

PART 3 COLORADO RACING COMMISSION

44-32-301. [Formerly 12-60-301] Racing commission - creation. (1) There is hereby created, within the division of racing events, the Colorado racing commission. The commission shall consist of five members, all of whom shall be citizens of the United States and shall have been residents of this state for the past five years. The members shall be appointed by the governor, with the consent and approval of the senate. No member shall have been convicted of a felony or gambling-related offense, notwithstanding the provisions of section 24-5-101. ~~C.R.S.~~ No more than three of the five members shall be members of the same political party. At the first meeting of each fiscal year, a chair and vice-chair of the commission shall be chosen from the membership by a majority of the members. Membership and operation of the commission shall additionally meet the following requirements:

(a) Two members of the commission shall have been previously engaged in the racing industry for at least five years; one member shall be a practicing veterinarian who is currently licensed in Colorado and has been so licensed for not less than five years; one member shall have been engaged in business in a management-level capacity for at least five years; and one member shall be a registered elector of the state who is not employed in any profession or industry otherwise described in this ~~paragraph (a)~~ SUBSECTION (1)(a); however, no more than two members of the commission shall be from the same congressional district, and one member of the commission shall be from west of the continental divide.

(b) Initial members shall be appointed to the commission by the governor as follows: One member to serve until July 1, 1993, one member to serve until July 1, 1994, one member to serve until July 1, 1995, and two members to serve until July 1, 1996. All subsequent appointments shall be for terms of four years. No member

of the commission shall be eligible to serve more than two consecutive terms.

(c) Any vacancy on the commission shall be filled for the unexpired term in the same manner as the original appointment. The member appointed to fill ~~such~~ THE vacancy shall be from the same category described in ~~paragraph (a) of this subsection~~ (1) SUBSECTION (1)(a) OF THIS SECTION as the member vacating the position.

(d) Any member of the commission may be removed by the governor at any time.

(e) The term of any member of the commission who misses more than two consecutive regular commission meetings without good cause shall be terminated and ~~such~~ THE member's successor shall be appointed in the manner provided for appointments under this section.

(f) Commission members shall be reimbursed for necessary travel and other reasonable expenses incurred in the performance of their official duties.

(g) Prior to confirmation by the senate, each member shall file with the secretary of state a financial disclosure statement in the form required and prescribed by the executive director. ~~Such~~ THE statement shall be renewed as of each January 1 during the member's term of office.

(h) The commission shall hold at least one meeting each quarter and such additional meetings as may be prescribed by rules of the commission. In addition, special meetings may be called by the chair, any two commission members, or the director, if written notification of ~~such~~ THE meeting is delivered to each member at least seventy-two hours prior to ~~such~~ THE meeting. Notwithstanding section 24-6-402, ~~C.R.S.~~, in emergency situations in which a majority of the commission certifies that exigencies of time require that the commission meet without delay, the requirements of public notice and of seventy-two hours' actual advance written notice to members may be dispensed with, and commission members as well as the public shall receive such notice as is reasonable under the circumstances. Any action by the commission during such emergency meetings shall be limited to those issues relating to the emergency situation for which the meeting was called.

(i) A majority of the commission shall constitute a quorum, but the concurrence of a majority of the members appointed to the commission shall be required for any final determination by the commission.

44-32-302. [Formerly 12-60-302] Organization and officers - duties - representation. (1) All ~~moneys~~ MONEY payable to and collected by the department of revenue through the division shall be transmitted to the state treasurer. The state treasurer shall credit the same to the general fund except for ~~those moneys~~ THE MONEY required by this ~~article~~ ARTICLE 32 to be deposited in the racing ~~commission~~ cash fund.

(2) The commission shall maintain an office within the state and shall keep detailed records of all its meetings and of all the business transacted and of all the collections and disbursements. Publications of the commission circulated in quantity outside the executive branch shall be issued in accordance with the provisions of

section 24-1-136. ~~C.R.S.~~

(3) The attorney general shall provide legal services for the division and the commission at the request of the executive director, the director, or the commission. The attorney general shall make reasonable efforts to ensure that there is continuity in the legal services provided and that the attorneys providing legal services to the division and the commission have expertise in ~~such~~ THE field.

PART 4 CONFLICT OF INTEREST

44-32-401. [Formerly 12-60-401] Director and commission members - position of trust - conflicts of interest - definition. (1) Appointment to the commission or to the position of director or employment in the division of racing events is 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 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 the person's immediate family shall:

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

(b) Wager money or any other chattel of value on the result of any race or race meet or sweepstakes conducted within the state of Colorado or conducted outside the state and simulcast into the state;

(c) Hold any pecuniary interest in any out-of-state host track or derive any pecuniary benefit from the racing of any animal at ~~such~~ THE track;

(d) Hold more than a five percent interest in any entity doing business with a track; or

(e) Have any interest of any kind in a license issued pursuant to this ~~article~~ ARTICLE 32, nor have any interest, direct or indirect, including employment, in any licensee, licensed premises, establishment, or business involved in or with pari-mutuel wagering.

(2) Failure to comply with the provisions of this section shall be grounds for removal from office.

(3) For purposes of this section, "immediate family" means a person's spouse and any children actually living with the person.

PART 5 LICENSING AND REGISTRATION

44-32-501. [Formerly 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 participate, and shall cause the places where the race meets are held to be visited and inspected at least once a year by its members or employees, and shall require all places to be constructed, maintained, and operated in accordance with the laws of this state and the rules of the commission.

(b) The commission shall license and regulate all kennels and stables housing racing animals in connection with a race meet, shall cause ~~such~~ THE kennels and stables 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 shall take or cause to be taken saliva, urine, blood, or other body fluid samples or biopsy or necropsy specimens from horses selected by the commission or its employees at race meets provided for under this ~~article~~ ARTICLE 32 or when concerns are raised as to a particular animal, including the winner of a race, and shall test and determine the samples or specimens or cause the samples or specimens to be tested and determined. For 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~~ ARTICLE 32 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.

(b) The commission shall establish and require compliance with internal control procedures for licensees, including accounting and reporting procedures.

(c) The commission shall license and regulate persons who manufacture or operate totalisators and shall require all totalisators to be manufactured, maintained, and operated in accordance with the laws of this state and rules of the commission.

(d) The commission may license and regulate persons outside of Colorado who conduct pari-mutuel wagering on simulcast races and who accept wagers from Colorado residents at out-of-state simulcast facilities, and shall require out-of-state simulcast facilities to be maintained and operated in accordance with the laws of this state and rules of the commission. Source market fees imposed on persons licensed under this ~~paragraph (d)~~ SUBSECTION (2)(d) shall not exceed ten percent of the gross receipts of all pari-mutuel wagering by Colorado residents conducted by ~~such~~ THE persons at out-of-state simulcast facilities.

(3) The commission shall license and regulate all in-state simulcast facilities conducting pari-mutuel wagering and shall require all such in-state simulcast facilities to be maintained and operated in accordance with the laws of this state and rules of the commission.

(4) The commission shall, at its own expense, specifically regulate the operation by in-state simulcast facilities of pari-mutuel machines and equipment, the operation of all money and accounting facilities, and the operation of sellers' and cashiers' windows and ensure that the in-state simulcast facility is handling wagering as part of the pari-mutuel system of the appropriate track or simulcast facility and as part of the appropriate pari-mutuel pool, as designated in ~~section 12-60-703~~ SECTION 44-32-703. For such purposes, the commission, at its own expense, and in addition to other employees, shall employ the competent personnel necessary to supervise the wagering through in-state simulcast facilities and to ascertain that this ~~article~~ ARTICLE 32 and the rules of the commission are strictly complied with.

(5) A licensed track or its additional facility may be used for nonracing events upon advance notice to the commission, subject to the authority of the commission and the division to take all measures reasonably necessary to ensure that ~~such~~ THE nonracing events do not interfere with the safe and proper conduct of racing or the suitability of the track for racing.

44-32-502. [Formerly 12-60-502] Delegation of authority to issue certain licenses and registrations - rules. The commission shall delegate to the division the authority to issue all business and occupational licenses and registrations contemplated in this ~~article~~ ARTICLE 32, and shall promulgate rules containing standards for ~~such~~ THE delegation. The commission shall not delegate its duty to issue or renew race meet licenses.

44-32-503. [Formerly 12-60-503] Rules of commission - licensing. (1)(a) The commission shall make reasonable rules for the control, supervision, fingerprinting, identification, and direction of applicants, registrants, and licensees, including rules providing for the supervising, disciplining, suspending, fining, and barring from racing of all persons required to be licensed or registered by this ~~article~~ ARTICLE 32 and for the holding, conducting, and operating of all races, race meets, racetracks, in-state simulcast facilities, and out-of-state wagering on simulcast races conducted pursuant to this ~~article~~ ARTICLE 32. It shall announce the place, time, number of races per day, duration of race meets, as provided in ~~section 12-60-603~~ SECTION 44-32-603, and types of race meets.

(b) The commission may issue a temporary license or registration for up to a maximum of ninety days for any license or registration authorized under this ~~article~~ ARTICLE 32.

(2) ~~(a)~~ Every person holding a license or registration under this ~~article~~ ARTICLE 32, every person operating an in-state simulcast facility, and every owner or trainer of any horse entered in a racing contest under this ~~article~~ ARTICLE 32 shall comply with the commission's rules and orders. It is unlawful for a person to work upon the premises of a racetrack without first obtaining from the commission a license or registration under this ~~article~~ ARTICLE 32; except that the commission may waive this licensing or registration requirement for occupational categories that the 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 a person who owns or leases a racing animal to allow 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 may extend the validity of a license issued for a period not to exceed three years, and the fee for the license shall be increased proportionately; except that no temporary license or registration may be issued for a period longer than ninety days. It is unlawful for a person to hold a race meet with pari-mutuel wagering without obtaining a license for pari-mutuel wagering. It is unlawful for 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 before operating as an in-state simulcast facility.

~~(b) (Deleted by amendment, L. 93, p. 1210, § 1, effective July 1, 1993.)~~

(3) No person holding a license under this ~~article~~ ARTICLE 32 shall extend credit to another person for participation in pari-mutuel wagering.

(4) With the submission of an application for a license granted pursuant to this ~~article~~ ARTICLE 32, each applicant shall submit a set of fingerprints to the commission. The commission shall forward ~~such~~ THE fingerprints to the Colorado bureau of investigation for the purpose of conducting a state and national fingerprint-based criminal history record check utilizing records of the Colorado bureau of investigation and the federal bureau of investigation. Only the actual costs of ~~such~~ THE record check shall be borne by the applicant. Nothing in this subsection (4) shall preclude the commission from making further inquiries into the background of the applicant.

44-32-504. [Formerly 12-60-504] Business licenses. (1) Every application for a business license, excluding applications for initial or renewal race meet licenses pursuant to ~~sections 12-60-505 and 12-60-511~~ SECTIONS 44-32-505 AND 44-32-512, shall be made under oath and filed with the commission and shall set forth ~~such~~ THE information as the rules of the commission may require in connection with the application.

(2) To determine whether a license shall be granted, the commission shall have the right to examine the financial and other records of the applicant and to compel the production of records and documents.

(3) The commission has discretion to grant or deny a business license if it finds that any applicant or any of the directors, officers, or original stockholders of a corporate applicant have violated any of the provisions of this ~~article~~ ARTICLE 32 or any rules of the commission, or failed to pay any of the sums required under this ~~article~~ ARTICLE 32, or as it determines, from ~~such~~ THE application, the character, financial ability, and experience of each individual applicant or the officers and director of each corporate applicant to be for the best interests of the state and the racing industry.

(4) When conducting investigations pursuant to this section, to the extent possible, the commission shall utilize investigative information of other state racing jurisdictions. The commission may investigate an existing licensee who is seeking

to acquire ownership of another existing license.

(5) Any unexpired license held by any person who has been convicted by the commission of violating any of the provisions of this ~~article~~ ARTICLE 32 or any rule of the commission, or who has willfully or fraudulently made any false statement in any application for a license, or who fails to pay to the commission any and all sums required under the provisions of this ~~article~~ ARTICLE 32 is subject to cancellation or revocation by the commission.

(6) The commission shall have the power to issue subpoenas for the appearance of persons and the production of documents and other things in connection with applications before the commission or in the conduct of investigations.

44-32-505. [Formerly 12-60-505] Meet licenses. (1) Every initial application for a license to hold race meets under this ~~article~~ ARTICLE 32 shall be made under oath and shall be filed with the commission on or before a day fixed by the commission and shall set forth the time, the place, and the number of days ~~such~~ THE meet shall continue; the kind of racing proposed to be conducted; the full name and address of the applicant and, if a corporation, the names and addresses of all of its officers and directors and all of the holders of each class of its stock and the amount of stock of each class so owned by each stockholder; the location of the racetrack and whether the ~~same~~ RACETRACK is owned or leased; the names and residences of the owners of all property leased by ~~such~~ THE applicant; a statement of the assets and liabilities of ~~such~~ THE applicant; a description of the qualifications and experience of the applicant if an individual or of its officers and directors if a corporation; a full disclosure of all holding or intermediary companies associated with the applicant, as well as their shareholders, all contracts that relate to the race meet, audited balance sheets of corporate applicants, excluding nonprofit associations, and the terms and conditions of all contracts by which the applicant has received credit; a description of the land uses within a radius of two miles of the establishment in which ~~such~~ THE race meet is proposed to be conducted; and ~~such~~ THE incidental information as the rules of the commission may require in connection with the application.

(2) Upon the filing of ~~such~~ THE application, the commission shall fix a date for a hearing on the application, and ~~said~~ THE applicant shall give public notice of the time and place of ~~such~~ THE hearing by publication in one issue of a daily or weekly newspaper of general circulation in the area in which it is proposed to conduct ~~such~~ THE race meet and by posting on the site of ~~such~~ THE proposed race meet a notice, in form and size to be determined by the commission, that ~~such~~ THE application has been filed and the date and place of the hearing thereon. At the time and place mentioned in ~~said~~ THE notice, the commission shall conduct a public hearing at which evidence for and against the granting of the application may be presented.

(3) Except as otherwise limited by the provisions of this ~~article~~ ARTICLE 32, in considering an application for a license under this section, the commission may give consideration to the number of licenses already granted, and to the location of tracks previously licensed, and to the sentiments and character of the community in which the proposed race meets are to be conducted, and to the ability, character, and experience of each individual applicant or the officers and directors of each corporate applicant. The commission may require of every applicant for a license

to hold a race meet, except a public nonprofit association, nonprofit corporation, or nonprofit fair, including the Colorado state fair and all county fairs, who has not, within five years prior to making an application for a license to hold a race meet, operated a race meet in the county, city, or city and county in which it is proposed to hold ~~such~~ THE race meet, a recommendation in writing of the board of county commissioners of ~~said~~ THE county in the event the race meet is to be held in unincorporated areas of ~~said~~ THE county or of the governing board of a city or city and county if the proposed race meet is to be held within a city or city and county. The commission may take ~~such~~ THE recommendation into consideration before granting or refusing ~~such licenses~~ THE LICENSE. The commission may deny a license to operate a new racetrack to a person who is already licensed to operate a racetrack within this or any other state if, in the opinion of the commission, the granting of ~~such~~ THE license would discourage legitimate competition from other qualified applicants. The commission shall investigate any applicant and shall require the applicant to pay the actual cost of investigating the application as part of the fees and costs imposed pursuant to ~~section 12-60-506~~ SECTION 44-32-506. The applicant shall advance the ~~moneys~~ MONEY necessary for the investigation to the commission, and the commission shall return any unused portion of ~~such moneys~~ THE MONEY to the applicant at the conclusion of the commission's investigation. The advance of ~~such moneys~~ THE MONEY may either be made directly to the commission or the ~~moneys~~ MONEY may be deposited into escrow in a manner approved by the commission.

(4) The commission may grant or refuse licenses to conduct race meets under this ~~article~~ ARTICLE 32 as it determines, from ~~such~~ THE application, the character, financial ability, and experience of each individual applicant or the officers and directors of each corporate applicant, the sentiments of the community and the character of the area wherein it is proposed to conduct ~~such~~ THE race meets, and the evidence presented at ~~such~~ THE hearing, to be for the best interests of the state, the racing industry, and the area in which it is proposed to conduct ~~such~~ THE race meets.

(5) The commission has discretion to grant or deny a race meet license if it finds that any applicant has, or any of the directors, officers, or original stockholders of a corporate applicant have, violated any of the provisions of this ~~article~~ ARTICLE 32 or any rules of the commission or failed to pay any of the sums required under this ~~article~~ ARTICLE 32.

(6) Every license issued under this ~~article~~ ARTICLE 32 shall specify the number of days ~~said~~ THE licensed race meet shall continue and the number of races per day. No license shall be granted to any individual who is not a bona fide resident of Colorado nor to any foreign corporation. Every applicant shall agree that, if granted a license under this ~~article~~, ~~such~~ ARTICLE 32, THE applicant will not thereafter sell, mortgage, or otherwise pledge or dispose of any of the assets listed and described on the application for a license or a renewal license without thirty days' prior notice to the commission, which may approve or disapprove the disposition of assets upon good cause shown. The charter of all corporate applicants shall contain a provision that, when a cumulative ten percent or more of the voting stock of ~~such~~ THE corporation is to be sold, mortgaged, or otherwise pledged or transferred, thirty days' prior notice shall be given to the commission. The corporation shall pay an investigation fee to the commission as part of the fees and costs imposed pursuant to ~~section 12-60-506~~ SECTION 44-32-506. The commission shall approve or

disapprove of the disposition of ~~such~~ THE stock, upon good cause shown, within ninety days of ~~such~~ THE filing of a completed application for transfer. The commission has the power to ascertain if any capital stock of any corporate applicant or licensee is held with the intent to mislead or deceive the commission for an undisclosed principal. The involvement of an undisclosed principal shall be grounds for the denial, suspension, or revocation of a license.

(7) Upon petition by the licensee and a finding by the commission that it is impossible or impractical for a licensee, because of fire or act of God or other unforeseeable emergency not caused or participated in by the licensee, to conduct a race meet upon the dates allocated or upon a racetrack designated by the commission to the licensee, other dates and locations may be substituted and granted to the licensee. A licensee so petitioning may be granted the right to lease and utilize any other licensee's facilities for the term of the petitioning licensee's annual permit or any portion thereof, but ~~said~~ THE grant shall not be construed to allow any licensee more days of racing in any year than are prescribed by this ~~article~~ ARTICLE 32.

(8) When conducting investigations pursuant to subsections (3) and (6) of this section, to the extent possible, the commission shall utilize investigative information of other state racing jurisdictions. The commission may investigate an existing licensee who is seeking to acquire ownership of another existing license to conduct race meets.

44-32-506. [Formerly 12-60-506] Application - fee - waiver of confidentiality.

(1) In connection with the issuance of licenses or registrations, the commission shall establish investigation and application fees, which fees shall be credited to the racing cash fund created in ~~section 12-60-205~~ SECTION 44-32-205.

(2) The application form created by the commission shall include a waiver of any right of confidentiality and a provision ~~which~~ THAT allows the information contained in the application to be accessible to law enforcement agents of this or any other state or the government of the United States. The waiver of confidentiality shall extend to any financial or personnel record, wherever maintained.

44-32-507. [Formerly 12-60-507] Investigation - denial, suspension, and revocation actions against licensees - unlawful acts.

(1) The commission upon its own motion may, and upon complaint in writing of any person shall, investigate the activities of any licensee or applicant within the state or any person upon the premises of any facility licensed pursuant to this ~~article~~ ARTICLE 32. In addition to its authority under any other provision of this ~~article~~ ARTICLE 32, the commission may issue a letter of admonition to a licensee, fine a licensee, suspend a license, deny an application for a license, or revoke a license, if ~~such~~ THE person has committed any of the following violations:

(a) Disregarding or violating any provision of this ~~article~~ ARTICLE 32 or any rule promulgated by the commission in the interests of the public and in conformance with the provisions of this ~~article~~ ARTICLE 32;

(b) Been convicted of, or entered a plea of guilty or nolo contendere to, a criminal charge under the laws of this or any other state or of the United States, or entered

into a plea bargain for acts or omissions that, if committed in Colorado, would have been grounds for discipline in this state. A certified copy of the judgment of the court in which any such conviction occurred shall be presumptive evidence of ~~such~~ THE conviction in any hearing under this ~~article~~ ARTICLE 32. This ~~paragraph (b)~~ SUBSECTION (1)(b) shall be applied in accordance with section 24-5-101. ~~C.R.S.~~

(c) Current prosecution or pending charges in any jurisdiction, against the applicant, or any of its officers or directors, or any of its general partners, or any stockholders, limited partners, or other persons having a financial or equity interest of five percent or greater in the applicant, for any felony; except that, at the request of the applicant or the person charged, the commission shall defer decision upon ~~such~~ THE application during the pendency of ~~such~~ THE charge;

(d) Fraud, willful misrepresentation, or deceit in racing;

(e) Failure to disclose to the commission complete ownership or beneficial interest in a racing animal entered to be raced;

(f) Misrepresentation or attempted misrepresentation in connection with the sale of a racing animal or other matter pertaining to racing or registration of racing animals;

(g) Failure to comply with any order or rulings of the commission, the stewards, the judges, or a racing official pertaining to a racing matter;

(h) Ownership of any interest in or participation by any manner in any bookmaking, pool-selling, touting, bet solicitation, or illegal enterprise;

(i) Employing or harboring unlicensed persons on the premises of a racetrack;

(j) Being a person, employing a person, or being assisted by ~~any~~ A person who is not of good record or good moral character;

(k) Discontinuance of or ineligibility for the activity for which the license was issued;

(l) Being currently under suspension or revocation of a racing license in another racing jurisdiction, or having been subject to disciplinary action by the ~~racing~~ commission or equivalent agency of another jurisdiction for acts or omissions that, if committed in Colorado, would have been grounds for discipline in this state; except that this ~~paragraph (l)~~ SUBSECTION (1)(l) shall not furnish the basis for the imposition of fines;

(m) Possession on the premises of a racetrack of:

(I) Firearms; or

(II) A battery, buzzer, electrical device, or other appliance other than a whip ~~which~~ THAT could be used to alter the speed of a racing animal in a race or while working out or schooling;

(n) Possession, on the premises of a racetrack, by a person other than a licensed veterinarian, of:

(I) A hypodermic needle, hypodermic syringe, or other similar device;

(II) Any substance, compound items, or combination thereof of any medicine, narcotic, stimulant, depressant, or anesthetic ~~which~~ THAT could alter the normal performance of a racing animal unless specifically authorized by the commission veterinarian;

(o) Cruelty to or neglect of a racing animal;

(p) Offering, promising, giving, accepting, or soliciting a bribe in any form, directly or indirectly, to or by a person having any connection with the outcome of a race, or failure to report knowledge of ~~such~~ THE act immediately to the stewards, the judges, or the commission;

(q) Causing, attempting to cause, or participating in any way in any attempt to cause the prearrangement of a race result, or failure to report knowledge of ~~such~~ THE act immediately to the stewards, the judges, or the commission;

(r) Entering, or aiding and abetting the entry of, a racing animal ineligible or unqualified for the race entered;

(s) Willfully or unjustifiably entering or racing of any animal in any race under any name or designation other than the name or designation assigned to ~~such~~ THE animal by and registered with the official recognized registry for that breed of animal, or willfully soliciting, instigating, engaging in or in any way furthering any act by which any racing animal is entered or raced in any race under any name or designation other than the name or designation duly assigned by and registered with the official recognized registry for that breed of animal;

(t) Aiding or abetting any person in the violation of any rule of the commission;

(u) Racing at a racetrack without having a racing animal registered to race at that racetrack;

(v) Being on the premises of a racetrack for which the licensee is required to be licensed without being able to show proof of gainful employment at that racetrack;

(w) ~~(f)~~ Failing to comply with the requirements of part 6 of article 35 of title 24, C.R.S.; or any rule promulgated by the executive director of the department of revenue pursuant to section 24-35-607 (3). C.R.S.

~~(ff) Repealed.~~

~~(1.5)~~ (2) The director may summarily suspend the license of any person pending a hearing concerning violation of ~~paragraph (o) of subsection (1)~~ SUBSECTION (1)(o) of this section.

~~(2)~~ (3) Any person who fails to pay within the time period established by rule a

fine imposed pursuant to this ~~article~~ ARTICLE 32 shall pay, in addition to the fine due, a penalty amount equal to the fine. Any person who submits to the department ~~of revenue~~ through the division a check in payment of a fine or license fee requirement imposed pursuant to this ~~article~~ ARTICLE 32, which check is not honored by the financial institution upon which it is drawn, shall pay, in addition to the fine or fee due, a penalty amount equal to the fine or fee. All ~~moneys~~ MONEY received pursuant to a penalty amount imposed by this ~~subsection (2)~~ SUBSECTION (3) shall be credited to the general fund of the state.

(3) (4) Any person aggrieved by a final action or order of the commission may appeal ~~such~~ THE action to the Colorado court of appeals.

44-32-508. [Formerly 12-60-507.5] License - mandatory disqualification - criteria. (1) The commission shall deny a license to any applicant on the basis of any of the following criteria:

(a) Failure of the applicant to prove by clear and convincing evidence that the applicant is qualified in accordance with the provisions of this ~~article~~ ARTICLE 32;

(b) Failure of the applicant to provide information, documentation, and assurances required by this ~~article~~ ARTICLE 32 or requested by the commission, failure of the applicant to reveal any fact material to qualification, or the supplying of information ~~which~~ THAT is untrue or misleading as to a material fact pertaining to the qualification criteria;

(c) Conviction of the applicant, or any of its officers or directors, or any of its general partners, or any stockholders, limited partners, or other persons having a financial or equity interest of five percent or greater in the applicant, of any of the following:

(I) Any gambling-related offense or theft by deception;

(II) Any crime involving fraud or misrepresentation committed within ten years prior to the date of the application, notwithstanding the provisions of section 24-5-101; ~~C.R.S.~~;

(d) Current prosecution or pending charges in any jurisdiction against the applicant, or against any person listed in ~~paragraph (c) of this subsection (1)~~ SUBSECTION (1)(c) OF THIS SECTION, for any of the offenses enumerated in ~~said paragraph (c)~~ SUBSECTION (1)(c) OF THIS SECTION; except that, at the request of the applicant or the person charged, the commission shall defer decision upon ~~such~~ THE application during the pendency of ~~such~~ THE charge.

44-32-509. [Formerly 12-60-508] Hearings - review - rules. (1) Except as otherwise provided in this section, all proceedings before the commission with respect to the denial, suspension, or revocation of licenses or the imposition of fines shall be conducted pursuant to the provisions of sections 24-4-104 and 24-4-105. ~~C.R.S.~~

(2) ~~Such~~ THE proceedings shall be held in the county where the commission has its office or in such other place as the commission may designate. The commission

shall notify the applicant or licensee by mailing by first-class mail a copy of the written notice required to the last address furnished by the applicant or licensee to the commission.

(3) (a) The commission may delegate its authority to conduct hearings and impose discipline with respect to the denial or suspension of licenses or the imposition of a fine to the division, through its board of stewards or judges, or a hearing officer. Proceedings before the division, through its board of stewards or judges, or a hearing officer shall not be governed by the procedural or other requirements of sections 24-4-104 and 24-4-105, ~~C.R.S.~~, but rather shall be conducted in accordance with rules adopted by the commission.

(b) The commission may direct that any hearing be conducted before an administrative law judge appointed pursuant to part 10 of article 30 of title 24. ~~C.R.S.~~

(4) The commission, the division, through its board of stewards or judges, and any hearing officer shall have the authority to administer oaths and affirmations, sign and issue subpoenas and order the production of documents and other evidence, and regulate the course of the hearing, pursuant to rules adopted by the commission.

(5) Any party aggrieved by a final order or ruling issued by the division, through its board of stewards or judges, or a hearing officer shall have a right to appeal ~~such~~ THE order or ruling to the commission, pursuant to procedural rules ~~which~~ THAT shall be adopted by the commission. The aggrieved party may petition the commission for a stay of execution pending appeal to the commission.

44-32-510. [Formerly 12-60-509] Liability insurance - bond for race meets.

(1) For the protection of the public and the exhibitors, contestants, and visitors, every person licensed to conduct a race meet under the provisions of this ~~article~~ ARTICLE 32 shall carry public liability insurance in the form of a contract and with a company to be approved by the commission.

(2) An organization representing the majority of the owners of racing animals participating in any race meet may require the licensee conducting ~~such~~ THE race meet to provide and deliver to the commission evidence of a bond signed by a surety company authorized to do business in this state, in an amount sufficient to cover all awards and purses due to the contestants at ~~such~~ THE race meet and conditioned that ~~said~~ THE licensee will pay and discharge all obligations to ~~said~~ THE contestants in connection with the race meet.

~~(2.5) Repealed.~~

44-32-511. [Formerly 12-60-510] Racing of standardbred harness horses.

(1) Notwithstanding any other provision of this ~~article~~ ARTICLE 32 to the contrary, the commission shall grant licenses to conduct the racing of standardbred harness horses pursuant to the provisions of this ~~article~~ ARTICLE 32 and in accordance with subsections (2) and (3) of this section.

(2) The licenses granted may be issued to conduct not more than three race meets

in any one year at a racetrack specifically designed and used for the racing of no animals other than standardbred harness horses, but ~~such~~ THE race meets may not be held on the same dates as race meets authorized by the commission for animals other than standardbred harness horses that are held within forty miles of the track licensed for the racing of standardbred harness horses. In addition, licenses may be issued by the commission to conduct three race meets for the racing of standardbred harness horses in any one year at any racetrack at which horse race meets are held and ~~which~~ THAT is not within forty miles of any other racetrack licensed for the racing of horses or the racing of standardbred harness horses.

(3) No tracks licensed for the racing of standardbred harness horses may be located within forty miles of one another, but ~~such~~ THE tracks may be located within forty miles of any track licensed for the racing of animals other than standardbred harness horses subject to the limitations in subsection (2) of this section.

(4) The provisions of subsection (3) of this section shall not restrict the right of a county to conduct extended standardbred harness horse race meets, upon being licensed by the ~~state racing~~ commission, at a county fairground if ~~such~~ THE race meets are not within fifteen miles of any racetrack licensed in Colorado for the racing of horses.

44-32-512. [Formerly 12-60-511] Eligibility to operate race meets - renewal or revocation. (1) (a) No person shall be eligible to operate a race meet under a license issued under the provisions of this ~~article~~ ARTICLE 32 unless ~~such~~ THE person is the owner or controls the possession of a properly constructed racetrack suitable for the conduct of racing and improved with safe and suitable grandstands; equipped with reasonably sanitary accommodations and also such accommodations, including track conditions, as the commission may require for the care and control of the animals racing at ~~such~~ THE meet; and also such other improvements as, in the opinion of the commission, may be required for the protection of the public, human and animal participants, and others likely to be present at ~~such~~ THE race meet. In consideration of the location of the track and other structures and erections and the probable capacity requirements to accommodate the crowd and the number of people that will reasonably be expected to occupy ~~such~~ THE grandstands and attend ~~such~~ THE race meets, a major racing operation license shall not be issued for the racing of horses at a class A track ~~which~~ THAT is within forty miles of any other major racing operation licensed under this ~~article~~ ARTICLE 32 for the racing of horses at a class A track; nor shall a major racing operation license be issued for the racing of horses at a class B track ~~which~~ THAT is within forty miles of any other major racing operation licensed under this ~~article~~ ARTICLE 32 for the racing of horses at a class B track. In no event shall any racing operation licensed under this ~~article~~ ARTICLE 32 for the racing of horses at a horse track located within forty miles of the Colorado state fair and industrial exposition conduct race meets of horses on the same dates as the race meets of horses at the state fair.

(b) As used in ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION, "major racing operation" means nonprofit corporations and commercial tracks conducting race meets ~~which~~ THAT exceed fifteen racing days.

~~(2) Repealed.~~

(2) Applications for renewal of ~~such~~ A license shall be filed with the commission on or before a day fixed by the commission and shall set forth the name of the applicant and if a corporation the names and addresses of its officers and directors with a list attached thereto of the names and addresses of all the holders of its stock, as of a date not more than thirty days prior to the filing of ~~such~~ THE application, and the amount of voting stock held by each stockholder. If any of its voting stock is known by any applicant to be registered in the name of a person not the actual owner thereof, ~~such~~ THE list shall also show the name and address of ~~such~~ THE actual owner.

(3) ~~Said~~ THE application shall set forth the proposed dates of race meets, the dates within ~~such~~ THE race meets on which the applicant intends to conduct racing at ~~such~~ meetings THE MEET and the number of races intended to be run on ~~such~~ THE dates, and the address of the establishment where ~~such~~ THE meets are to be held and shall have attached thereto the most recent financial statement of the applicant as of a date not more than twelve months prior to the date of the application for renewal of ~~such~~ THE license. ~~Such~~ THE application shall also contain such other information as the rules of the commission may provide to ensure that ~~such~~ THE licensee is conducting race meets in accordance with the provisions of this ~~article~~ ARTICLE 32 and the rules of the commission. To determine whether an application for renewal of ~~such~~ THE license to conduct race meets shall be granted, the commission shall have the right to examine the financial and other records of the licensee, to compel the production of records and documents, to conduct hearings, to summon witnesses, and to administer oaths.

(4) (a) As soon as is practicable after the date fixed for the filing of applications for renewal, the commission shall meet and determine the granting or denial thereof. If the commission finds that the applicant has fully complied with the requirements and conditions for renewal, the application for renewal shall be granted, and the commission shall allot and assign to the respective applicants, in the manner stated in this subsection (5) (4), dates for race meets and dates for racing within the race meet and the number of races on ~~such~~ THE dates.

(b) Except as otherwise provided in this ~~article~~ ARTICLE 32, the commission may allot different dates for race meets, different dates for racing within a race meet, and a different number of races on the dates from those requested in the application for renewal. In making its allotment of dates, the commission shall endeavor to allot to each applicant the dates requested by the applicant in the application, after giving due consideration to all factors involved, including the interests of the applicant and the public and the best interests of racing. In its allotment of dates, the commission shall also endeavor, whenever possible, 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, despite the fact that the dates conflict with the dates allotted to another applicant conducting live horse racing. When the granting of requested initial or renewal race dates would result in a conflict, the commission may grant race dates so as to avoid conflict to the extent possible, giving preference to requests for race dates from license applicants whose licensed race meet in the previous year included the same dates.

~~(6)~~ (5) In the event the commission finds that any applicant for a renewal of a license to conduct race meets under this ~~article~~ ARTICLE 32 has violated any of the provisions of this ~~article~~ ARTICLE 32 or any rule of the commission, or has willfully or fraudulently made any false statement in an original application for a license to hold race meets or for the renewal of ~~such~~ THE license, or has failed to pay the commission any sums required by this ~~article~~ ARTICLE 32, or lacks the ability, experience, or finances to conduct race meets, the commission may refuse to grant a renewal of ~~such~~ THE license.

~~(7)~~ (6) Any unexpired license held by any person who has been convicted by the commission of violating any of the provisions of this ~~article~~ ARTICLE 32 or any rule of the commission, or who has willfully or fraudulently made any false statement in any application for a license to hold a race meet or for the renewal of ~~such~~ THE license, or who fails to pay to the commission any and all sums required under the provisions of this ~~article~~ ARTICLE 32 is subject to cancellation or revocation by the commission. ~~Such~~ THE cancellation shall be made only after a summary hearing before the commission, of which three days' notice in writing shall be given the licensee specifying the grounds for the proposed cancellation and at which hearing the licensee shall be given an opportunity to be heard in person and by counsel in opposition to the proposed cancellation. No license shall be granted or continued to any licensee for any race meet licensed under this ~~article~~ ARTICLE 32 who has made default in any payment of any premium or prizes on any race meets held under this ~~article~~ ARTICLE 32 or who has failed to meet any monetary obligations in connection with any race meet held in this state.

44-32-513. [Formerly 12-60-512] Division of racing events - access to records. The division, for purposes of this ~~article~~ ARTICLE 32, shall have full authority to procure, at the expense of the division, any records furnished to or maintained by any law enforcement agency in the United States, including state and local law enforcement agencies in Colorado and other states for the purposes of carrying out its responsibilities. Upon request from the Colorado bureau of investigation, the division shall provide copies of any and all information obtained pursuant to this part 5.

44-32-514. [Formerly 12-60-513] Payments of winnings - intercept. ~~(1)~~ Before making a payment of cash winnings from pari-mutuel wagering on horse or greyhound racing for which the licensee is required to file form W-2G, or a substantially equivalent form, with the United States internal revenue service, the licensee shall comply with the requirements of part 6 of article 35 of title 24. ~~C.R.S.~~

~~(2) Repealed.~~

PART 6 UNLAWFUL ACTS

44-32-601. [Formerly 12-60-601] Underage wagering. (1) No person under the age of eighteen years shall purchase, redeem, or attempt to purchase or redeem any pari-mutuel ticket.

(2) No person shall sell any pari-mutuel ticket to a person under the age of eighteen years.

(3) Any person who violates this section commits a class 2 petty offense, and, upon conviction thereof, shall be punished by a fine of not more than one hundred dollars.

44-32-602. [Formerly 12-60-602] Simulcast facilities and simulcast races - unlawful act - repeal. (1) It is unlawful for any person to accept or place wagers on any simulcast race within the state of Colorado except under the provisions of this ~~article~~ ARTICLE 32. It is lawful to conduct pari-mutuel wagering on simulcast races of horses or greyhounds ~~which~~ THAT are received by an in-state simulcast facility authorized and operated pursuant to this ~~article~~ ARTICLE 32.

(2) Cross simulcasting between an in-state host track or an out-of-state host track and an in-state simulcast facility, or between an in-state host track and an out-of-state simulcast facility, is permissible.

~~(3) Repealed.~~

~~(4)(a)(i)~~ (3) A race meet of horses that 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 ~~section 12-60-102 (14)~~ SECTION 44-32-102 (11), an in-state simulcast facility that is located within fifty miles of a horse track that has held, within the previous twelve months, or is licensed and scheduled to hold within the next twelve months, a horse race meet of no less than thirty race days, may not receive simulcast races of horses on any day on which ~~such~~ THE horse track is running live horse races unless the licensee of ~~such~~ THE horse track consents thereto.

~~(H) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1586, § 6, effective May 21, 2009.)~~

~~(b) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1586, § 6, effective May 21, 2009.)~~

~~(5)(a)(i) and (ii) Repealed.~~

~~(HH)~~ (4) (a) (I) An in-state simulcast facility may, 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 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)~~ (II) The specified portions of the gross receipts from pari-mutuel wagers placed at an in-state simulcast facility on simulcast greyhound races being held on out-of-state host tracks from signals received through a class B track shall be distributed in accordance with ~~section 12-60-701(2)~~ SECTION 44-32-701 (2).

(b) (I) (A) An in-state simulcast facility that is located on the premises of a class B track may receive simulcast horse races from an out-of-state host track as authorized by the commission. ~~Such~~ THE total includes, and is not in addition to, the days on which live racing is held.

(B) A facility ~~which~~ THAT is reopening as a track pursuant to ~~section 12-60-503 (2)(b)~~ SECTION 44-32-503 (2) may receive three days of simulcast horse races from an out-of-state host track for each day of live horse racing for which the commission has granted it a race date for the subsequent year. A day of simulcast horse races, for the purposes of this ~~paragraph (b)~~ SUBSECTION (4)(b), shall not include a day on which live horse races are conducted at the horse track at which the simulcast facility is located or a day on which the simulcast facility receives only simulcast races of horses from a race meet conducted at an in-state host track.

~~(I.5) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1586, § 6, effective May 21, 2009.)~~

(II) ~~(A)~~ An in-state simulcast facility that is not located on the premises of a horse track that runs a horse race meet of at least thirty live race days may receive a broadcast signal of a simulcast horse race conducted at an out-of-state host track only through an in-state simulcast facility that is located on the premises of a horse track that runs a horse race meet of at least thirty live race days.

~~(B) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1586, § 6, effective May 21, 2009.)~~

~~(H.5) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1586, § 6, effective May 21, 2009.)~~

(III) On any day on which an in-state simulcast facility receives simulcast horse races, either directly from an out-of-state host track or through another in-state simulcast facility or facility ~~which~~ THAT is reopening as a track, and on which one or more in-state host tracks are running live horse races, ~~such~~ THE in-state simulcast facility shall receive and conduct pari-mutuel wagering on the broadcast signal of simulcast horse races from at least one such in-state host track, if ~~such~~ THE broadcast signal is made available to it on usual and customary terms and conditions, including price, as determined by the commission.

(IV) All simulcasting of horse races shall comply with the federal "Interstate Horseracing Act of 1978", 15 U.S.C. secs. 3001-3007, as amended.

(V) ~~(A)~~ For purposes of administering this ~~paragraph (b)~~ SUBSECTION (4)(b), each operating year of an in-state simulcast facility located on the premises of a class B track shall be deemed to begin on April 21 and end on the following April 20. Simulcast days allotted to such a facility pursuant to this ~~paragraph (b)~~ SUBSECTION (4)(b) may be used at any time during the operating year, but unused days remaining as of the end of one operating year may not be carried forward to the next operating year.

~~(B) Repealed.~~

~~(C) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1586, § 6, effective May 21, 2009.)~~

~~(6)~~ (5) An in-state simulcast facility having a written simulcast racing agreement with an in-state or out-of-state host track pursuant to ~~section 12-60-503 (2)~~ SECTION

44-32-503 (2) may receive simulcast races, as specified in ~~subsections (2) to (5)~~ SUBSECTIONS (2) TO (4) of this section, on any day, including a day not within the race meet of ~~such~~ THE in-state simulcast facility ~~which~~ THAT is also a track and a day on which no live race is conducted within the race meet of ~~such~~ THE in-state simulcast facility ~~which~~ THAT is also a track.

~~(7) Repealed.~~

44-32-603. [Formerly 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~~ ARTICLE 32. It is lawful to conduct pari-mutuel wagering on live horse races that are part of a race meet licensed and conducted under this ~~article~~ ARTICLE 32. The duration of a horse race meet at a class B track is as specified in ~~section 12-60-102 (4)~~ SECTION 44-32-102 (3); except that the commission may prescribe a lesser number of race days in the event of unforeseen circumstances or acts of God.

~~(b)~~ (2) 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 are not counted as race days. Days on which an in-state simulcast facility that is a track receives simulcast races but does not conduct live races are not counted as race days. Subject to this ~~article~~ ARTICLE 32, the commission shall determine the number and kind of race meets to be held at any one track; however, race meet days are permitted on Sundays.

~~(c)~~ (3) In order to promote live racing of horses 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 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:

~~(f)~~ ~~(Deleted by amendment, L. 2014.)~~

~~(H)~~ (a) In the case of class A tracks, other class A tracks; and

~~(HH)~~ (b) In the case of class B tracks, other class B tracks.

~~(d)~~ (4) The commission shall determine, consistent with all other provisions of this ~~article~~ ARTICLE 32, the total number of races conducted and performances held during a race meet.

~~(2) (a) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1589, § 7, effective May 21, 2009.)~~

~~(b) to (d) Repealed.~~

44-32-604. [Formerly 12-60-604] Greyhound racing prohibited. No live greyhound racing involving the betting or wagering on the speed or ability of the greyhounds racing shall be conducted in Colorado. The commission shall not accept or approve an application or request for race dates for live greyhound racing in Colorado.

44-32-605. [Formerly 12-60-605] Wagering on historic races - definitions.

(1) The state, a municipality, city and county, county, or any state or local agency, board, commission, or official thereof, shall not approve or permit the use of a racing replay and wagering device.

(2) A licensee shall not operate, offer to operate, or use a racing replay and wagering device or allow any person to use a racing replay and wagering device to place a wager on any previously run sporting event.

(3) This section does not apply to a simulcast race.

(4) As used in this section, unless the context otherwise requires:

(a) "Racing replay and wagering device" means a mechanical, electronic, or computerized piece of equipment that:

(I) Can display a previously run sporting event, regardless of how the sporting event is displayed, rebroadcast, or replayed; and

(II) Gives a player who places a wager on the outcome of the previously run sporting event an opportunity to win a thing of value, whether due to the skill of the player, chance, or both.

(b) "Sporting event" means a contest in which animals, people, or machines compete individually or as teams for the purpose of winning a race, game, contest, or other competition.

(c) "Wager" means to place at risk of loss any valuable consideration, including coin, currency, or the electronic equivalent of any coin or currency.

PART 7
TAXES AND FEES

44-32-701. [Formerly 12-60-701] License fees and Colorado-bred horse race requirement. (1) Subject to ~~section 12-60-702 (1)~~ SECTION 44-32-702 (1), for the privilege of conducting racing under a license issued under and of operating an in-state simulcast facility pursuant to this ~~article~~ ARTICLE 32, a licensee for the racing of greyhounds and an operator of an in-state simulcast facility that receives simulcast races of greyhounds shall pay to the department of ~~revenue~~ through the division four and one-half percent of the gross receipts derived from pari-mutuel wagering during any such race meet or placed on ~~such~~ THE simulcast races that are received through a live greyhound track.

(2) (a) (I) For the privilege of conducting racing under a license issued under and of operating an in-state simulcast facility pursuant to this ~~article~~ ARTICLE 32, a licensee for the racing of horses and an operator of an in-state simulcast facility that receives simulcast races of horses or greyhounds pursuant to ~~section 12-60-602 (5)(a)(II)~~ SECTION 44-32-602 (4)(a)(I) shall pay to the department of ~~revenue~~ through the division three-fourths of one percent of the gross receipts of the pari-mutuel wagering at any ~~such~~ race meet or placed on ~~such~~ THE simulcast races; except that a licensee for the racing of horses at a class B track race meet shall pay

to the department of revenue through the division three-fourths of one percent of the gross receipts of the pari-mutuel wagering at any such race meet.

(II) (A) Except as otherwise provided in ~~sub-subparagraph (B) of this subparagraph (H)~~ SUBSECTION (2)(a)(II)(B) OF THIS SECTION, in addition to the amount paid to the department of revenue through the division in ~~subparagraph (F) of this paragraph (a)~~ SUBSECTION (2)(a)(I) OF THIS SECTION, a licensee for the racing of horses and an operator of an in-state simulcast facility that receives simulcast races of horses or greyhounds pursuant to ~~section 12-60-602 (5)(a)(III)~~ SECTION 44-32-602 (4)(a)(I) shall pay to Colorado state university for allocation to its school of veterinary medicine one-fourth of one percent of the gross receipts of all pari-mutuel wagering, except on win, place, or show, at ~~such~~ THE horse race meet or placed on ~~such~~ THE simulcast races, to be used for racing-related equine research. To receive research funding under this ~~subparagraph (H)~~ SUBSECTION (2)(a)(II), an institution or individual must describe and report to the commission on all projects upon completion.

(B) In the case of pari-mutuel wagers on greyhound simulcast signals received by a class B track, in lieu of the amounts otherwise payable to Colorado state university pursuant to ~~sub-subparagraph (A) of this subparagraph (H)~~ SUBSECTION (2)(a)(II)(A) OF THIS SECTION, the licensee shall instead pay an equivalent amount into a trust account for distribution in accordance with rules of the commission under ~~section 12-60-702 (1)(e)(H)~~ SECTION 44-32-702 (1)(e)(I).

(b) In addition to any ~~moneys~~ MONEY to be paid pursuant to ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION, a licensee for the racing of horses and an operator of an in-state simulcast facility that receives simulcast races of horses or greyhounds pursuant to ~~section 12-60-602 (5)(a)(III)~~ SECTION 44-32-602 (4)(a)(I) shall pay to a trust account one-half of one percent of the gross receipts of pari-mutuel wagering on win, place, and show and one and one-half percent of the gross receipts from all other pari-mutuel wagering at any such race meet or placed on ~~such~~ THE simulcast races for the horse breeders' and owners' awards and supplemental purse fund established in ~~section 12-60-704~~ SECTION 44-32-705.

(c) (I) The operator of a simulcast facility that receives simulcast races of horses or greyhounds pursuant to ~~section 12-60-602 (5)(a)(III)~~ SECTION 44-32-602 (4)(a)(I) shall retain five percent of the gross receipts of pari-mutuel wagering placed on ~~such~~ THE simulcast races at that facility, to be used to cover the particular expenses incurred in operating a simulcast facility.

(II) (A) Of the five percent of gross receipts retained pursuant to ~~subparagraph (F) of this paragraph (c)~~ SUBSECTION (2)(c)(I) OF THIS SECTION, the operator of a simulcast facility that is not located at a class B track and that receives simulcast races of horses shall remit to the operator of the class B track from which ~~such~~ THE simulcast races were received one-fifth, representing one percent of the gross receipts of pari-mutuel wagering placed on ~~such~~ THE simulcast races at the simulcast facility.

(B) ~~(Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1590, § 8, effective May 21, 2009.)~~

(3) For the purpose of encouraging the breeding, within the state, of race horses registered within their breeds, at least one race of each day's live horse race meet shall consist exclusively of Colorado-bred horses, if Colorado-bred horses are available. This requirement shall not apply to an in-state simulcast facility ~~which~~ THAT is a horse track and ~~which~~ THAT receives simulcast races of horses on any given race meet day but does not conduct a live horse race on such day.

~~(4) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1590, § 8, effective May 21, 2009.)~~

44-32-702. [Formerly 12-60-702] Unlawful to wager - exception - excess - taxes - special provisions for simulcast races - rules. (1) (a) It is unlawful to conduct pool selling or bookmaking, or to circulate handbooks, or to bet or wager on any race meet licensed under the provisions of this ~~article~~ ARTICLE 32 other than by the pari-mutuel method.

(b) (I) Except as otherwise provided in subsection (4) of this section, it is unlawful for a racing or simulcast facility licensee for the racing of greyhounds or horses to take more than the percentage of the gross receipts authorized by the commission pursuant to ~~subparagraph (II) of this paragraph (b)~~ SUBSECTION (1)(b)(II) OF THIS SECTION of any pari-mutuel wagering on ~~such~~ THE races or simulcast races.

(II) The commission may annually determine the authorized take-out under ~~subparagraph (I) of this paragraph (b)~~ SUBSECTION (1)(b)(I) OF THIS SECTION by rule, but ~~such~~ THE take-out shall not exceed thirty percent of the gross receipts of any pari-mutuel wagering on races originating within Colorado.

(c) Each licensee for the racing of horses shall pay as purses for the races in any horse race meet conducted at its in-state host track fifty percent of the breakage attributable thereto, and fifty percent of the track's commission. For purposes of this ~~paragraph (c)~~ SUBSECTION (1)(c), the track's commission means the maximum allowable percentage ~~which~~ THAT may be taken, pursuant to ~~paragraph (b) of this subsection (1)~~ SUBSECTION (1)(b) OF THIS SECTION, by a licensee for the racing of horses from the gross receipts from all pari-mutuel wagering placed on ~~such~~ THE races at the in-state host track, after deduction of the amounts specified in ~~sections 12-60-701 (2)(a) and (2)(b) and 12-60-704 (2)~~ SECTIONS 44-32-701 (2)(a) AND (2)(b) AND 44-32-705 (2).

(d) For each horse race meet it conducts, a licensee shall file with its license application with the commission an agreement between ~~such~~ THE licensee and the organization ~~which~~ THAT represents the majority of the owners of horses participating at ~~such~~ THE race meet. ~~Such~~ THE agreement shall specify the purse structure ~~which~~ THAT shall apply to the races conducted at ~~such~~ THE horse race meet, including minimum purses per race and any conditions relating to overpayments or underpayments.

~~(d.5) Repealed.~~

~~(e) (f) Repealed.~~

~~(H)~~ (e) (I) Each operator of an in-state simulcast facility that receives simulcast races of horses from either an in-state host track or an out-of-state host track, or of greyhounds from an out-of-state host track, shall pay to purse funds for the racing of horses and to the in-state or out-of-state tracks and simulcast facilities described in the simulcast agreement filed with the commission, the percentages of the gross pari-mutuel wagering on the simulcast races, after deduction of a signal fee required by an out-of-state host track or an in-state host track, paid during the current year or a previous year, and the applicable amounts specified in ~~paragraph (b) of subsection (2)~~ SUBSECTION (2)(b) of this section AND in ~~section 12-60-701 (1), (2)(a), (2)(b), and (2)(c) and in section 12-60-704 (2)~~ SECTIONS 44-32-701 (1) AND (2) AND 44-32-705 (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)(H)(B)~~ SECTION 44-32-701 (2)(a)(II)(B) into a trust account for distribution, in accordance with rules of the commission, to greyhound welfare and adoption organizations.

~~(H)(A)~~ (II) To defray operating expenses, the operator of a simulcast facility located at a class B track may retain up to twenty percent of the net purses earned and payable to the horse purse fund as provided in ~~subparagraph (H) of this paragraph (e)~~ SUBSECTION (1)(e)(I) OF THIS SECTION.

~~(B) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p. 1591, § 9, effective May 21, 2009.)~~

(f) A licensee or operator shall retain horse purse funds, including funds established in ~~section 12-60-704~~ SECTION 44-32-705, payable by the licensee or operator under this section in a trust account in a commercial bank located in Colorado until the purse funds are paid to the horse owners or to the host track for payment to the horse owners; except that

~~(f) The moneys~~ THE MONEY deposited in any such trust account shall be invested in a fund that invests in obligations of the United States government with maturities of less than one year or that is account insured in full by an agency of the federal government. ~~and~~

~~(H) Repealed.~~

(g) Except as otherwise provided in subsection (4) of this section:

(I) It is unlawful for any licensee to compute breaks in the pari-mutuel system in excess of ten cents; and

(II) If, during any race meet conducted under this ~~article~~ ARTICLE 32, there are underpayments of the amount actually due to the wagerers, the amount of the excess of ~~such~~ THE underpayments over and above overpayments to wagerers, at the expiration of thirty days from the end of ~~said~~ THE meet, shall revert and belong to the state of Colorado and be paid to the department of ~~revenue~~ through the division and become a part of its funds, and it shall not be retained by the licensee under whose license ~~such~~ THE race meet was held.

(h) (I) Fifty percent of the breakage at any horse race meet shall be retained by the licensee under whose license ~~such~~ THE horse race meet was held and the remainder shall be paid as purses for the races conducted at ~~such~~ THE race meet.

(II) The breakage at any greyhound race meet shall be retained by the licensee under whose license ~~such~~ THE greyhound race meet was held.

(III) Except as otherwise provided in ~~subparagraph (IV) of this paragraph (h)~~ SUBSECTION (1)(h)(IV) or ~~in subsection (4) of this section~~, the breakage on any simulcast race of horses or greyhounds received by an in-state simulcast facility shall be retained by the operator of ~~such~~ THE in-state simulcast facility.

(IV) In the case of simulcast races of horses received from an in-state host track, fifty percent of the breakage shall be paid to the licensee of ~~such~~ THE in-state host track within sixty days after the end of the race meet from which ~~such~~ THE simulcast race was broadcast and the remainder shall be paid as purses for the races conducted at ~~such~~ THE in-state host track.

~~(i) Repealed.~~

~~(j)~~ (i) 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 for a race held at an out-of-state host track and, after a period of one year following the simulcast race, the proceeds revert and belong to the operator.

(2) (a) In the event the federal government or any federal governmental agency imposes a levy on ~~said~~ THE licensee by a tax on the money so wagered and upon and against its receipts, the licensee may collect, in addition to the percentage and breaks allowed in this section, the amount of the tax so levied.

(b) The tax and breaks and license fee provided for in this ~~article~~ ARTICLE 32 shall be in lieu of all other license fees and privilege taxes or charges by the state of Colorado or any county, city, town, or other municipality or taxing body for the privilege of conducting any race meet provided for in this ~~article~~ ARTICLE 32 and licensed by the authority of this ~~article~~ ARTICLE 32; except that any county, city, town, or other municipality or taxing body ~~which~~ THAT imposed any fee, tax, or charge prior to July 1, 1982, on the money so wagered, or upon and against the licensee's receipts, or for the privilege of conducting any race meet provided for and licensed by authority of this ~~article~~ ARTICLE 32 shall have the authority to amend, repeal and reenact, or repeal any such fee, tax, or charge and impose a new or different fee or tax on the money so wagered, or upon and against the licensee's receipts, or for the privilege of conducting any race meet provided for and licensed by authority of this ~~article~~ ARTICLE 32, and no provision of this ~~article~~ ARTICLE 32 shall affect the authority of ~~such~~ THE county, city, town, or other municipality or taxing body with respect to such fees or taxes unless ~~such~~ THE provision specifically refers to this ~~paragraph (b)~~ SUBSECTION (2)(b). Notwithstanding subsection (1) of this section, it is lawful for the licensee to take such fee or tax from the gross receipts on pari-mutuel wagering; and in such cases the licensee shall pay the fee or tax directly to the county, city, town, or other municipality or taxing body.

(3) Unless expressly authorized by this ~~article~~ ARTICLE 32, no person may act for consideration as an agent or courier for another person for the purpose of placing wagers or cashing or redeeming winning pari-mutuel tickets. In addition to the remedies otherwise provided for violations of this ~~article~~ ARTICLE 32, the commission may petition any court of competent jurisdiction for an order enjoining a violation of this subsection (3).

(4) Pursuant to a valid simulcasting agreement, an operator of an in-state simulcast facility that receives simulcast signals of horse or greyhound races held in another state may:

(a) Take the percentage of the gross receipts of any pari-mutuel wagering on ~~such~~ THE simulcast races as is allowable under the laws and rules of ~~such~~ THE other state; and

(b) Adopt ~~such~~ THE procedures for computation and distribution of breakage as are allowable under the laws and rules of ~~such~~ THE other state.

44-32-703. [Formerly 12-60-703] Pari-mutuel pools for race meets and simulcast races. (1) The pari-mutuel pool for a horse race meet and for simulcast races of ~~such~~ THE race meet shall be an intrastate common pool; except that, if ~~such~~ THE 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 conducting ~~such~~ THE horse race meet.

~~(2) Repealed.~~

~~(3)~~(2) An in-state simulcast facility receiving simulcast races from an out-of-state host track may participate either in a pari-mutuel pool into which only the pari-mutuel wagers on ~~such~~ THE simulcast races that are placed at ~~such~~ THE in-state simulcast facility are taken or in an interstate common pool. The commission shall permit an operator of an in-state simulcast facility participating in an interstate common pool to adopt the takeout percentage of the out-of-state host track for ~~such~~ THE interstate common pool.

44-32-704. [Formerly 12-60-703.5] Limitations on pari-mutuel wagering. (1) Wagers on pari-mutuel horse or greyhound races conducted in or out of this state may only be placed upon the premises of a racetrack or an in-state simulcast facility licensed by the commission or ~~such~~ THE out-of-state racetrack or simulcast facility as authorized by the commission. No wagering or betting on the results of any of the races licensed under this ~~article~~ ARTICLE 32 shall be conducted outside a licensed or approved racetrack or simulcast facility.

(2) (a) No person or agent or employee of any person shall place, receive, offer, or agree to place or receive a wager on a pari-mutuel horse or greyhound race, conducted in or broadcast in this state, by messenger, telephone, telegraph, facsimile machine, or other electronic device; except that this subsection (2) shall not apply to associations or simulcast facilities licensed by the commission. Nothing in this section shall be construed to prohibit gambling as provided in section 18-10-102 (2)(d). ~~C.R.S.~~

(b) Any person who violates ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501. ~~C.R.S.~~

44-32-705. [Formerly 12-60-704] Horse breeders' and owners' awards and supplemental purse fund - awards - advisory committee - rules. (1) There is hereby created a fund, to be known as the horse breeders' and owners' awards and supplemental purse fund, referred to in this section as the "fund", ~~which~~ THAT shall consist of ~~moneys~~ MONEY deposited thereto by the licensee for the racing of horses and by an operator of an in-state simulcast facility that receives simulcast races of horses for the purposes of this section, to be held in a trust account, which ~~moneys~~ MONEY shall be paid out to owners and breeders of Colorado-bred horses as provided in this section and by rules of the commission. ~~Such~~ THE rules shall provide for an administrative fee to be paid to the Colorado horse breeder associations for registering and maintaining breeding records for the administration of the fund. ~~Such~~ THE fees shall not exceed ten percent of the total ~~moneys~~ MONEY generated by the unclaimed pari-mutuel tickets and ~~such moneys~~ THE MONEY provided by ~~section 12-60-701 (2)(b)~~ SECTION 44-32-701 (2)(b).

(2) ~~Those moneys~~ THE MONEY derived pursuant to ~~section 12-60-701 (2)(b)~~ SECTION 44-32-701 (2)(b) shall be paid to a trust account for the fund on the fifteenth day of the calendar month immediately following the month in which ~~such~~ THE sum was received. In addition, the proceeds derived from all unclaimed pari-mutuel tickets for each horse race meet and for each simulcast race of horses received by an in-state simulcast facility shall be paid to a trust account for the fund after a period of one year following the end of ~~such~~ THE race meet.

~~(3)(a) and (b) Repealed.~~

~~(c)~~ (3) After ~~moneys~~ MONEY from the fund ~~have~~ HAS been distributed to the respective breeder associations, further distribution shall be governed by the bylaws of ~~such~~ THE associations. Nothing in this section shall be construed to prohibit the distribution of ~~moneys~~ MONEY from the fund to owners and breeders of Colorado-bred horses that are otherwise eligible under the bylaws of ~~such~~ THE associations and that run in races outside Colorado.

(4) Notwithstanding section 24-30-204, ~~C.R.S.~~, the commission may establish by rule a period for distribution of ~~moneys~~ MONEY in the fund ~~which~~ THAT is not consistent with the state's general fiscal-year period.

(5) Any ~~moneys~~ MONEY credited to the fund and not distributed within three years shall be paid, as authorized by the commission, either:

(a) As purses for races held at live race meets in Colorado; or

(b) As fees required for participation in an interstate compact to which Colorado is a party pursuant to ~~section 12-60-202 (5)~~ 44-32-202 (4).

44-32-706. [Formerly 12-60-705] Payments to state - disposition. (1) (a) Except as otherwise provided in ~~paragraph (b) of this subsection (1)~~ SUBSECTION (1)(b) OF THIS SECTION and in ~~sections 12-60-701, 12-60-702 (1), and~~

~~12-60-704~~ SECTIONS 44-32-701, 44-32-702 (1), AND 44-32-705, all sums referred to in sections ~~12-60-701, 12-60-702 (1), and 12-60-704~~ SECTIONS 44-32-701, 44-32-702 (1), AND 44-32-705, including all sums collected for license fees and fines pursuant to the provisions of this ~~article~~ ARTICLE 32, shall be paid to the department of revenue through the division on the tenth business day of the month immediately following the month in which each performance took place, and the licensee shall make a return as required by rules of the commission.

(b) In temporary or emergency situations, a licensed operator for the racing of animals, with the approval of and under the direction of the director ~~of the division~~ or the director's designee, may provide for veterinary services as described in ~~section 12-60-202(3)~~ SECTION 44-32-202 (3), at the licensed operator's expense, and the expense thus incurred may be deducted from the payment made to the department in accordance with ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION; except that the amount deducted shall not exceed the amount set by the commission for ~~such~~ THOSE veterinary services.

(2) All ~~moneys~~ MONEY collected by the department of revenue through the division shall, on the next business day following the receipt thereof, be transmitted to the state treasurer, who shall credit the same to the general fund of the state; except that license fees established and collected by the director pursuant to ~~section 12-60-202(3)(h)~~ SECTION 44-32-202 (3)(h) shall be credited to the racing cash fund created in ~~section 12-60-205~~ SECTION 44-32-205. The department of revenue shall have all the powers, rights, and duties provided in article 21 of title 39 ~~C.R.S.~~, to carry out ~~such~~ THE collection.

(3) The general assembly shall annually appropriate from the racing cash fund created in ~~section 12-60-205~~ SECTION 44-32-205 the direct and indirect costs of administering this ~~article~~ ARTICLE 32.

(4) Any person who fails to make a return or pay any tax required under this ~~article~~ ARTICLE 32 shall be liable for penalties and interest as follows:

(a) A penalty of the greater of fifteen dollars for each failure to make a return and for each failure to pay a tax when due, or ten percent thereof plus one-half percent per month from the date when due, not exceeding eighteen percent, in the aggregate; and

(b) Interest on any tax due, from the date due, at the rate specified in section 39-21-110.5. ~~C.R.S.~~

44-32-707. [Formerly 12-60-706] Agreement of this state. In the event any county or municipality development revenue bonds are issued in reliance on the provisions of this ~~article~~ ARTICLE 32, the state of Colorado does hereby covenant and agree with the holders of any such bonds that the state will not limit or alter the rights or powers of the owners of ~~such~~ THE bonds or to repeal, amend, or otherwise directly or indirectly modify this ~~article~~ ARTICLE 32 or the effect thereof as to the assessments, fees, charges, pledged revenues, or any combination thereof in such a manner as to impair adversely any such outstanding bonds, until all such bonds have been paid and discharged in full or provision for their payment and redemption has been fully made. ~~Such~~ THE covenant and agreement may be included in any

agreement with the holders of ~~such~~ THE bonds.

PART 8
ENFORCEMENT AND PENALTIES

44-32-801. [Formerly 12-60-801] Criminal penalties. (1) Except as provided in ~~section 12-60-601~~ SECTION 44-32-601, any person who commits any of the acts enumerated in ~~section 12-60-507(1)~~ SECTION 44-32-507(1), other than those ~~which~~ ~~THAT~~ also constitute crimes under the "Colorado Criminal Code", title 18, ~~C.R.S.~~, commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501. ~~C.R.S.~~

(2) Any person who violates any rule of the commission promulgated under the authority granted in this ~~article~~ ARTICLE 32, other than those ~~which~~ ~~THAT~~ also constitute crimes under the "Colorado Criminal Code", title 18, ~~C.R.S.~~, commits a class 2 petty offense and, upon conviction thereof, shall be punished by a fine of not more than one hundred dollars.

(3) The penalties set forth in this section are cumulative and do not preclude the imposition of civil or administrative penalties, sanctions, actions against licenses or registrations, or any other penalties otherwise authorized.

44-32-802. [Formerly 12-60-802] Cancellation of license. In case of a willful violation of this ~~article~~ ARTICLE 32 by a person holding a license, the commission, upon conviction of the offender, may cancel the offender's license, and ~~such~~ THE cancellation shall operate as a forfeiture of all rights and privileges granted by the commission and of all sums of money paid to the department of ~~revenue~~ through the division by the offender, and the action of the commission in this respect shall be final.

44-32-803. [Formerly 12-60-803] Exclusion from licensed premises. The commission or the division may exclude from any and all licensed premises any person who has been convicted of a felony under the laws of this or any other state or of the United States, subject to the provisions of section 24-5-101. ~~C.R.S.~~ Any person so excluded by the commission or the division has a right to a hearing before the commission as to the basis of ~~such~~ THE exclusion, subject to the provisions of section 24-4-104. ~~C.R.S.~~ No such person shall enter or remain upon premises owned by any licensee conducting a race meet or operating a simulcast facility under the jurisdiction of the commission, and all such persons, upon discovery or recognition, shall be forthwith excluded or ejected from ~~such~~ THE premises. Any person so ejected or excluded from the premises of any licensee shall be denied admission to its premises and the premises of all other licensees of the commission until permission for entering has thereafter been obtained from the commission. The commission may also exclude any person from ~~such~~ THE licensed premises who willfully violates any of the provisions of this ~~article~~ ARTICLE 32 or any rule issued by the commission.

PART 9
REVIEW AND TERMINATION PROVISIONS

44-32-901. [Formerly 12-60-901] Repeal of article - review of functions. This

~~article~~ ARTICLE 32 is repealed, effective September 1, 2023. ~~Prior to the~~ BEFORE ITS repeal, the division and its functions ~~shall be reviewed as provided for in~~ ARE SCHEDULED FOR REVIEW IN ACCORDANCE WITH section 24-34-104. ~~C.R.S.~~

SECTION 3. Repeal of relocated provisions in this act. In Colorado Revised Statutes, **repeal** article 60 of title 12.

SECTION 4. In Colorado Revised Statutes, 8-40-301, **amend** (8) as follows:

8-40-301. Scope of term "employee" - definition. (8) For the purposes of articles 40 to 47 of this ~~title~~ TITLE 8, "employee" excludes any person who performs services for more than one employer at a race meet as defined by ~~section 12-60-102 (22), C.R.S.~~ SECTION 44-32-102 (20), or at a horse track as defined by ~~section 12-60-102 (11), C.R.S.~~ SECTION 44-32-102 (8).

SECTION 5. In Colorado Revised Statutes, 12-15.5-108, **amend** (2) as follows:

12-15.5-108. Authorization to conduct fantasy contests. (2) Fantasy contests are authorized and may be conducted by a fantasy contest operator at a licensed facility at which pari-mutuel wagering, as that term is defined in ~~section 12-60-102 (20.5)~~ SECTION 44-32-102 (18), may occur. An operator of a class B track, as that term is defined in ~~section 12-60-102 (4)~~ SECTION 44-32-102 (3), may conduct fantasy contests if the operator is licensed as a fantasy contest operator.

SECTION 6. In Colorado Revised Statutes, 12-47-103, **amend** (25) as follows:

12-47-103. Definitions. As used in this article 47 and article 46 of this title 12, unless the context otherwise requires:

(25) "Racetrack" means any premises where race meets or simulcast races with pari-mutuel wagering are held in accordance with the provisions of ~~article 60 of this title~~ ARTICLE 32 OF TITLE 44.

SECTION 7. In Colorado Revised Statutes, 12-47-901, **amend** (5)(n)(I) as follows:

12-47-901. Unlawful acts - exceptions - definitions. (5) It is unlawful for any person licensed to sell at retail pursuant to this article 47 or article 46 of this title 12:

(n) (I) To authorize or permit any gambling, or the use of any gambling machine or device, except as provided by the "Bingo and Raffles Law", part 6 of article 21 of title 24. This subsection (5)(n) does not apply to those activities, equipment, and devices authorized and legally operated pursuant to ~~articles 47.1 and 60 of this title~~ ~~12~~ ARTICLE 47.1 OF THIS TITLE 12 AND ARTICLE 32 OF TITLE 44.

SECTION 8. In Colorado Revised Statutes, 13-4-102, **amend** (2)(ee) as follows:

13-4-102. Jurisdiction. (2) The court of appeals has initial jurisdiction to:

(ee) Review final actions and orders appropriate for judicial review of the Colorado racing commission, as provided in ~~section 12-60-507 (3), C.R.S.~~ SECTION

44-32-507 (4);

SECTION 9. In Colorado Revised Statutes, 13-21-119, **amend** (4)(a) as follows:

13-21-119. Equine activities - llama activities - legislative declaration - exemption from civil liability. (4) (a) This section shall not apply to the horse racing industry as regulated in ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44.

SECTION 10. In Colorado Revised Statutes, **amend** 16-2.5-121 as follows:

16-2.5-121. Executive director of the department of revenue - senior director of enforcement for the department of revenue. The executive director and the senior director of enforcement of the department of revenue are peace officers while engaged in the performance of their duties whose authority includes the enforcement of laws and rules regarding automobile dealers pursuant to section 12-6-105 (3), the lottery pursuant to sections 24-35-205 (3) and 24-35-206 (7), medical marijuana pursuant to article 43.3 of title 12, limited gaming pursuant to section 12-47.1-204, liquor pursuant to section 12-47-904 (1), 4, and racing events pursuant to ~~section 12-60-203 (1)~~ SECTION 44-32-203 (1), and the enforcement of all laws of the state of Colorado and who may be certified by the P.O.S.T. board.

SECTION 11. In Colorado Revised Statutes, **amend** 16-2.5-126 as follows:

16-2.5-126. Director of racing events - racing events supervisor - racing events investigator. The director of racing events, a racing events supervisor, and a racing events investigator are peace officers while engaged in the performance of their duties whose primary authority shall be as stated in ~~section 12-60-203 (1),~~ C.R.S. SECTION 44-32-203 (1), and shall also include the enforcement of all laws of the state of Colorado and who may be certified by the P.O.S.T. board.

SECTION 12. In Colorado Revised Statutes, 18-9-202, **amend** (2)(a.5)(VII) as follows:

18-9-202. Cruelty to animals - aggravated cruelty to animals - service animals. (2) (a.5) (VII) This ~~paragraph (a.5)~~ SUBSECTION (2)(a.5) does not apply to the treatment of pack or draft animals by negligently overdriving, overloading, or overworking them, or the treatment of livestock and other animals used in the farm or ranch production of food, fiber, or other agricultural products when ~~such~~ THE treatment is in accordance with accepted agricultural animal husbandry practices, the treatment of animals involved in activities regulated pursuant to ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44, the treatment of animals involved in research if ~~such~~ THE research facility is operating under rules set forth by the state or federal government, the treatment of animals involved in rodeos, the treatment of dogs used for legal hunting activities, wildlife nuisances, or to statutes regulating activities concerning wildlife and predator control in the state, including trapping.

SECTION 13. In Colorado Revised Statutes, **amend** 18-10-108 as follows:

18-10-108. Exceptions. Nothing contained in this ~~article~~ ARTICLE 10 shall be construed to modify, amend, or otherwise affect the validity of any provisions contained in articles 9 AND 47.1 ~~and 60~~ of title 12 ~~C.R.S.~~ AND ARTICLE 32 OF TITLE

44.

SECTION 14. In Colorado Revised Statutes, 19-2-918.5, **amend** (5) as follows:

19-2-918.5. Sentencing - animal cruelty - anger management treatment.

(5) This section does not apply to the treatment of pack or draft animals by negligently overdriving, overloading, or overworking them, or the treatment of livestock and other animals used in the farm or ranch production of food, fiber, or other agricultural products when ~~such~~ THE treatment is in accordance with accepted animal husbandry practices, the treatment of animals involved in activities regulated pursuant to ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44, the treatment of animals involved in research if ~~such~~ THE research facility is operating under rules ~~and regulations~~ set forth by the state or federal government, the treatment of animals involved in rodeos, the treatment of dogs used for legal hunting activities, or to statutes regulating activities concerning wildlife and predator control in the state, including trapping.

SECTION 15. In Colorado Revised Statutes, 24-34-104, **amend** (24)(a)(II) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal.

(24) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2023:

(II) The division of racing events, including the Colorado racing commission, created by ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44;

SECTION 16. In Colorado Revised Statutes, 24-35-603, **amend** (1) as follows:

24-35-603. Definitions. As used in this part 6, unless the context otherwise requires:

(1) "Licensee" means a licensee as defined in ~~section 12-60-102 (17), C.R.S.~~, SECTION 44-32-102 (14) or an operator or retail gaming licensee under section 12-47.1-501 (1)(b) or (1)(c). ~~C.R.S.~~

SECTION 17. In Colorado Revised Statutes, 24-35-606, **amend** (1) as follows:

24-35-606. Liability - immunity. (1) A licensee that fails to comply with the provisions of section 24-35-605 shall be subject to sanctions by its licensing authority pursuant to sections 12-47.1-525 (1) and ~~12-60-507 (1), C.R.S.~~ 44-32-507 (1).

SECTION 18. In Colorado Revised Statutes, 26-2-104, **amend** (2)(a)(II)(A) as follows:

26-2-104. Public assistance programs - electronic benefits transfer service - joint reports with department of revenue - signs - rules - repeal.

(2) (a) (II) Only those businesses that offer products or services related to the purpose of the public assistance benefits are allowed to participate in the electronic

benefits transfer service through the use of point-of-sale terminals. Clients shall not be allowed to access cash benefits through the electronic benefits transfer service from automated teller machines in this state located in:

(A) Licensed gaming establishments as defined in section 12-47.1-103 (15), ~~C.R.S.~~; in-state simulcast facilities as defined in ~~section 12-60-102 (14), C.R.S.~~ SECTION 44-32-102 (11), tracks for racing as defined in ~~section 12-60-102 (26), C.R.S.~~ SECTION 44-32-102 (24), OR commercial bingo facilities as defined in section 12-9-102 (2.3); ~~C.R.S.~~;

SECTION 19. In Colorado Revised Statutes, 31-15-401, **amend** (1)(o) as follows:

31-15-401. General police powers. (1) In relation to the general police power, the governing bodies of municipalities have the following powers:

(o) To enact and enforce ordinances prohibiting gambling and the use of any gambling device, as ~~said~~ THE terms are defined in section 18-10-102, ~~C.R.S.~~; in a park, on a public way, or on a street; except that in enacting and enforcing ~~said~~ THE ordinances, a municipality, notwithstanding any other provision of law to the contrary, may also prohibit social gambling in or on parks, public ways, or streets. Nothing in this ~~paragraph (o)~~ SUBSECTION (1)(o) shall be construed as prohibiting pari-mutuel betting or wagering under ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44.

SECTION 20. In Colorado Revised Statutes, **amend** 35-65-116 as follows:

35-65-116. Race meets - dates - licenses - fees. (1) The board is authorized to obtain a license to conduct horse race meets at the Colorado state fair and industrial exposition pursuant to ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44. For the purposes of this section, the limitations in ~~section 12-60-511, C.R.S.~~ SECTION 44-32-512 shall not apply, and ~~such~~ THE horse race meets shall be conducted as approved by the Colorado racing commission at ~~said~~ THE Colorado state fair and industrial exposition during its duration.

(2) In lieu of obtaining a license to conduct a horse race meet, the board is authorized to contract for the conduct of horse race meets at the Colorado state fair and industrial exposition with a private, nonprofit person licensed to conduct horse race meets within forty miles of the state fair grounds, subject to authorization by the Colorado racing commission pursuant to ~~section 12-60-511, C.R.S.~~ SECTION 44-32-512. The meet and the race days of the meet conducted at the Colorado state fair and industrial exposition shall be in addition to the number of meets and race days permitted the licensee pursuant to ~~section 12-60-603, C.R.S.~~ SECTION 44-32-603.

SECTION 21. In Colorado Revised Statutes, **amend** 38-13-108.8 as follows:

38-13-108.8. Property held by racetracks - inapplicability. This ~~article~~ ARTICLE 13 shall not apply to any intangible unclaimed property held by a racetrack, as that term is defined in ~~section 12-60-102 (26), C.R.S.~~ SECTION 44-32-102 (24).

SECTION 22. In Colorado Revised Statutes, 39-21-102, **amend** (2) as follows:

39-21-102. Scope. (2) The provisions of this ~~article~~ ARTICLE 21 apply to the taxes imposed pursuant to articles 46 AND 47 ~~and 60~~ of title 12 ~~C.R.S.~~ AND ARTICLE 32 OF TITLE 44, but only to the extent that the provisions of this ~~article~~ ARTICLE 21 are not inconsistent with the provisions of articles 46 AND 47 ~~and 60~~ of title 12 ~~C.R.S.~~ AND ARTICLE 32 OF TITLE 44.

SECTION 23. Act subject to petition - effective date. This act takes effect October 1, 2018; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: March 7, 2018