

HOUSE BILL 390

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

INTRODUCED BY

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AN ACT

RELATING TO HORSE RACING; DIRECTING FINES COLLECTED TO THE
RACEHORSE TESTING FUND; REQUIRING AN ANNUAL AUDIT OF THE
RACEHORSE TESTING FUND.

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

SECTION 1. Section 60-1A-5 NMSA 1978 (being Laws 2007,
Chapter 39, Section 5, as amended) is amended to read:

"60-1A-5. COMMISSION RULES--ALL LICENSES--SUSPENSION,
REVOCAION OR DENIAL OF LICENSES--PENALTIES.--

A. The commission shall adopt rules to implement
the Horse Racing Act and to ensure that horse racing in New
Mexico is conducted with fairness and that the participants and
patrons are protected against illegal practices.

B. Every license issued by the commission shall
require the licensee to comply with the rules adopted by the

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1 commission. A racetrack licensee shall post printed copies of
2 the rules in conspicuous places on the racing grounds and shall
3 maintain them during the period when live horse races are being
4 conducted.

5 C. The commission may suspend, revoke or deny
6 renewal of a license of a person who violates the provisions of
7 the Horse Racing Act or rules adopted pursuant to that act.
8 The commission shall provide a licensee facing suspension,
9 revocation or denial of renewal of a license reasonable notice
10 and an opportunity for a hearing. The suspension, revocation
11 or denial of renewal of a license shall not relieve the
12 licensee from prosecution for the violations or from the
13 payment of fines and penalties assessed the licensee by the
14 commission.

15 D. The commission may impose civil penalty fines
16 upon a licensee for a violation of the provisions of the Horse
17 Racing Act or rules adopted by the commission. The fines shall
18 not exceed one hundred thousand dollars (\$100,000) [~~or~~].
19 However, for each positive test result pursuant to Section
20 60-1A-14 NMSA 1978, the fine shall not exceed one hundred
21 thousand dollars (\$100,000) and shall include one hundred
22 percent of a purse related to the violation [~~whichever is~~
23 ~~greater, for each violation~~].

24 E. Fines shall be paid into the [~~current school~~
25 ~~fund~~] racehorse testing fund.

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1 F. When a penalty is imposed pursuant to this
2 section for administering a performance-altering substance as
3 provided in Subsection A of Section 60-1A-28 NMSA 1978, the
4 commission shall direct its executive director to report the
5 violation to the district attorney for the county in which the
6 violation occurred and to the horse racing licensing authority
7 in any other jurisdiction in which the licensee being penalized
8 is also licensed."

9 **SECTION 2.** Section 60-1A-14.1 NMSA 1978 (being Laws 2013,
10 Chapter 102, Section 1, as amended by Laws 2017, Chapter 28,
11 Section 4 and by Laws 2017, Chapter 145, Section 4) is amended
12 to read:

13 "60-1A-14.1. RACEHORSE TESTING FUND--CREATED--PURPOSE.--
14 The "racehorse testing fund" is created in the state treasury.
15 The purpose of the fund is to ensure the testing of racehorses
16 at a laboratory that meets or exceeds the current national
17 laboratory standards for the testing of drugs or other foreign
18 substances not naturally occurring in a horse, as established
19 by the association of racing commissioners international,
20 incorporated, or of a successor organization or, if none, of
21 another nationally recognized organization that has published
22 substantially similar guidelines that are generally accepted in
23 the horse racing industry. The fund consists of one-half of
24 the daily capital outlay tax appropriated and transferred
25 pursuant to Paragraph (4) of Subsection A of Section 60-1A-20
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1 NMSA 1978 and finances, appropriations, gifts, grants and
2 donations made to the fund. Income from investment of the fund
3 shall be credited to the fund. The commission shall administer
4 the racehorse testing fund, and money in the fund is
5 appropriated to the commission for the handling of pre- and
6 post-race, out-of-competition and necropsy testing of blood
7 serum plasma, urine or other appropriate test samples taken
8 from racehorses pursuant to Section 60-1A-14 NMSA 1978 and to
9 compensate the equine health and testing advisor employed or
10 selected pursuant to Section 60-1A-13 NMSA 1978. Any
11 unexpended or unencumbered balance remaining in the racehorse
12 testing fund at the end of a fiscal year in excess of six
13 hundred thousand dollars (\$600,000) shall revert to the general
14 fund. Expenditures from the fund shall be made on warrant of
15 the secretary of finance and administration pursuant to
16 vouchers signed by the executive director of the commission.
17 The racehorse testing fund shall be thoroughly examined and
18 audited each fiscal year by an independent auditor approved by
19 the state auditor."

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