

AN ACT relating to licensing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 230.260 is amended to read as follows:

The racing commission, in the interest of breeding or the improvement of breeds of horses, shall have all powers necessary and proper to carry out fully and effectually the provisions of this chapter including but without limitation the following:

- (1) The racing commission is vested with jurisdiction and supervision over all horse race meetings in this Commonwealth and over all associations and all persons on association grounds and may eject or exclude therefrom or any part thereof, any person, licensed or unlicensed, whose conduct or reputation is such that his presence on association grounds may, in the opinion of the racing commission, reflect on the honesty and integrity of horse racing or interfere with the orderly conduct of horse racing or racing at horse race meetings; provided, however, no persons shall be excluded or ejected from association grounds solely on the ground of race, color, creed, national origin, ancestry, or sex;
- (2) The racing commission is vested with jurisdiction over any person or entity that offers advance deposit account wagering to Kentucky residents. Any such person or entity under the jurisdiction of the racing commission shall be licensed by the racing commission, and the racing commission may impose a license fee not to exceed ten thousand dollars (\$10,000) annually. The racing commission shall, by administrative regulation promulgated in accordance with KRS Chapter 13A, establish conditions and procedures for the licensing of advance deposit account wagering providers to include but not be limited to:
 - (a) A fee schedule for applications for licensure; and
 - (b) Reporting requirements to include quarterly reporting on:
 1. The amount wagered on Kentucky races; and
 2. The total amount wagered by Kentuckians;

- (3) The racing commission is vested with jurisdiction over any totalisator company that provides totalisator services to a racing association located in the Commonwealth. A totalisator company under the jurisdiction of the racing commission shall be licensed by the racing commission, regardless of whether a totalisator company is located in the Commonwealth or operates from a location or locations outside of the Commonwealth, and the racing commission may impose a license fee on a totalisator company. The racing commission shall, by administrative regulation promulgated in accordance with KRS Chapter 13A, establish conditions and procedures for the licensing of totalisator companies, and a fee schedule for applications for licensure;
- (4) The racing commission is vested with jurisdiction over any manufacturer, wholesaler, distributor, or vendor of any equine drug, medication, therapeutic substance, or metabolic derivative which is purchased by or delivered to a licensee or other person participating in Kentucky horse racing by means of the Internet, mail delivery, in-person delivery, or other means;
- (5) The racing commission is vested with jurisdiction over any horse training center or facility in the Commonwealth that records official timed workouts for publication;
- (6) The racing commission may require an applicant for a license under subsections (2), ~~and~~ (3), **(15), and (16)** of this section to submit to a background check of the applicant, or of any individual or organization associated with the applicant. An applicant shall be required to **pay**~~reimburse the racing commission~~ for the cost of any background check conducted;
- (7) The racing commission, its representatives and employees, may visit, investigate and have free access to the office, track, facilities, or other places of business of any licensee, or any person owning a horse or performing services regulated by this chapter on a horse registered to participate in a breeders incentive fund under the jurisdiction of the racing commission;

- (8) The racing commission shall have full authority to prescribe necessary and reasonable administrative regulations and conditions under which horse racing at a horse race meeting shall be conducted in this state and to fix and regulate the minimum amount of purses, stakes, or awards to be offered for the conduct of any horse race meeting;
- (9) Applications for licenses shall be made in the form, in the manner, and contain information as the racing commission may, by administrative regulation, require. Fees for all licenses issued under KRS 230.310 shall be prescribed by and paid to the racing commission;
- (10) The racing commission shall establish by administrative regulation minimum fees for jockeys to be effective in the absence of a contract between an employing owner or trainer and a jockey. The minimum fees shall be no less than those of July 1, 1985;
- (11) The racing commission may refuse to issue or renew a license, revoke or suspend a license, impose probationary conditions on a license, issue a written reprimand or admonishment, impose fines or penalties, deny purse money, require the forfeiture of purse money, or any combination thereof with regard to a licensee or other person participating in Kentucky horse racing for violation of any federal or state statute, regulation, or steward's or racing commission's directive, ruling, or order to preserve the integrity of Kentucky horse racing or to protect the racing public. The racing commission shall, by administrative regulation, establish the criteria for taking the actions described in this subsection;
- (12) The racing commission may issue subpoenas for the attendance of witnesses before it and for the production of documents, records, papers, books, supplies, devices, equipment, and all other instrumentalities related to pari-mutuel horse racing within the Commonwealth. The racing commission may administer oaths to witnesses and require witnesses to testify under oath whenever, in the judgment of the racing

commission, it is necessary to do so for the effectual discharge of its duties;

(13) The racing commission shall have authority to compel any racing association licensed under this chapter to file with the racing commission at the end of its fiscal year, a balance sheet, showing assets and liabilities, and an earnings statement, together with a list of its stockholders or other persons holding a beneficial interest in the association; and

(14) The racing commission shall promulgate administrative regulations establishing safety standards for jockeys, which shall include the use of rib protection equipment. Rib protection equipment shall not be included in a jockey's weight.

(15) Any association that seeks to offer wagering on historical horse racing shall first apply to the racing commission for a license. The racing commission may impose an annual license fee not to exceed one hundred thousand dollars (\$100,000). The racing commission shall, by administrative regulations promulgated in accordance with KRS Chapter 13A, establish requirements, conditions, and procedures for licensing, and a fee schedule for applications for licensure.

(16) The racing commission is vested with jurisdiction over any manufacturer, distributor, or vendor of any terminal, equipment, system, or software used to offer, or that is associated with, wagering on a historical horse race at a licensed Kentucky association. Any such manufacturer, distributor, or vendor shall be licensed by the racing commission, and the racing commission may impose an annual license fee not to exceed five thousand dollars (\$5,000). The racing commission shall, by administrative regulation promulgated in accordance with KRS Chapter 13A, establish requirements, conditions, and procedures for licensing manufacturers, distributors, or vendors listed in this subsection, and a fee schedule for applications for licensure.

➔Section 2. No provision of this Act shall be construed as a recognition or finding concerning whether the operation of wagering on historical horse races constitutes

a pari-mutuel form of wagering or concerning the legality of wagering on historical horse races, the devices upon which wagering on historical horse races is conducted, or the gaming system.