

# HOUSE BILL NO. 6501

November 29, 2022, Introduced by Rep. Alexander and referred to the Committee on Regulatory Reform.

A bill to amend 1995 PA 279, entitled  
"Horse racing law of 1995,"  
by amending sections 12 and 14 (MCL 431.312 and 431.314), as  
amended by 2016 PA 271.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 12. (1) ~~An~~**Except as provided in subsection (12), an**  
2       applicant for a license to conduct a thoroughbred race meeting  
3       shall apply to conduct not fewer than 30 days of live thoroughbred  
4       racing during its proposed race meeting. Except during the opening  
5       and closing week of a race meeting, the applicant shall apply to

1 conduct live racing not fewer than 2 days per week, with not fewer  
2 than 8 live horse races programmed, and shall conduct live racing  
3 programs on the days allocated by the racing commissioner. The  
4 commissioner shall allocate not fewer than 10 days of live horse  
5 racing to a race meeting licensee with not fewer than 6 programmed  
6 live races per allocated day.

7 (2) ~~An~~ **Except as provided in subsection (12),** an applicant for  
8 a license to conduct a standardbred race meeting shall apply to  
9 conduct not fewer than 30 days of live standardbred harness horse  
10 racing during its proposed race meeting. Except during the opening  
11 and closing week of a race meeting, the applicant shall apply to  
12 conduct live horse racing not fewer than 2 days per week, with not  
13 fewer than 8 live horse races programmed, and shall conduct live  
14 racing programs on the days awarded. The commissioner shall  
15 allocate not fewer than 10 days of live horse racing to a race  
16 meeting licensee with not fewer than 6 programmed live races per  
17 allocated day.

18 (3) ~~If~~ **Except as provided in subsection (13),** if a race  
19 meeting licensee is unable to program and conduct 8 live horse  
20 races on a racing date awarded to the licensee because there are  
21 fewer than 5 entries in a race, the licensee shall not conduct any  
22 simulcasting on that day without the written consent of the  
23 certified horsemen's organization with which it has a contract.

24 (4) If a race meeting licensee is unable to conduct racing on  
25 a live racing date awarded to the licensee or fewer than 8 live  
26 horse races on an awarded live racing date because of a labor  
27 dispute, fire, adverse weather conditions, or other causes beyond  
28 the race meeting licensee's control, the race meeting licensee is  
29 considered to have conducted those races or that race date for

1 purposes of this act and is not precluded from conducting any  
2 simulcasts because of the licensee's inability to conduct those  
3 live races or that race date.

4 (5) Intertrack simulcast races that a race meeting licensee  
5 contracts to receive from other racetracks that are canceled for  
6 any of the reasons described in subsection (4) are offered to the  
7 public for purposes of this act.

8 (6) If an entire race meeting or the balance of a race meeting  
9 and racing dates awarded to a licensee cannot be raced because of  
10 an act of God or significant physical damage to the licensed  
11 racetrack at which the race meeting was licensed to be conducted  
12 caused by fire or some other catastrophe, the racing commissioner  
13 may transfer those dates to another race meeting licensee upon  
14 application of the substitute licensee if the substitute licensee  
15 satisfies the requirements for licensure under this act and  
16 demonstrates that it has or will have a legal or contractual right  
17 to the use of a different licensed racetrack facility on the racing  
18 dates in question, and all race meeting licensees that will be  
19 conducting live racing on those dates within 50 miles of the  
20 substitute racetrack consent to the transfer.

21 (7) Notwithstanding anything in this act to the contrary, if  
22 the racing commissioner determines that 1 or more of the conditions  
23 listed in subsection (8) apply and the contracted certified  
24 horsemen's organization is in agreement, the racing commissioner  
25 may amend an existing race meeting license and simulcast permit to  
26 allow the licensee to continue simulcasting during the remaining  
27 period of the race meeting license. An amended license under this  
28 section may be issued by the racing commissioner at any time,  
29 including at the time of the initial issuance of the race meeting

1 license for the upcoming year during which it is valid.

2 (8) The racing commissioner may issue an order amending a race  
3 meeting license under subsection (7) if he or she determines that  
4 the licensee is capable of conducting simulcast horse racing in  
5 accordance with this act and that 1 or more of the following  
6 conditions exist:

7 (a) There is inadequate horse supply for the licensee to  
8 conduct a live race meeting of at least 10 days with 6 races per  
9 day.

10 (b) There is inadequate funding of live racing purses to  
11 support the licensee's conducting of a live race meeting of at  
12 least 10 days with 6 races per day.

13 (c) There is no certified horsemen's organization operating in  
14 this state.

15 (9) In order to obtain an amended license issued under  
16 subsection (7) and satisfy the live racing requirements of this  
17 act, the licensee must have a written contract with a certified  
18 horsemen's organization to pay a percentage of its net commission  
19 from simulcasting to the live racing purse pool at another  
20 racetrack licensed under this act during the period when the  
21 amended license issued under subsection (7) is in effect. Unless  
22 otherwise provided in the written contract between the licensee and  
23 the certified horsemen's organization, the payment must be not less  
24 than 25% of net commission from simulcasting if only 1 certified  
25 horsemen's organization has a contract for live race days in this  
26 state for the calendar year. If both certified horsemen's  
27 organizations have a contract for live race dates in this state for  
28 the calendar year, the payment must be not more than 40% of the net  
29 commission from simulcasting.

1       (10) Subsections (7) to (9) apply only to amendments to a race  
2 meeting license for the purpose of allowing simulcast-only  
3 operations and are not limitations on or requirements for other  
4 race meeting license amendments the racing commissioner may approve  
5 or deny.

6       (11) Notwithstanding anything in this act to the contrary, if  
7 a race meeting licensee and the certified horsemen's organization  
8 with which the licensee has a contract jointly request that the  
9 licensee be allowed to conduct a live race meeting with fewer than  
10 8 races per day, the racing commissioner shall approve the request  
11 and issue an order amending the license accordingly.

12       **(12) The racing commissioner may grant a race meeting license**  
13 **to a county fair in this state. A county fair granted a race**  
14 **meeting license may conduct live horse races with pari-mutuel**  
15 **wagering under this act. To be granted a race meeting license, a**  
16 **county fair must meet all of the following qualifications:**

17       **(a) A county fair applicant for a license to conduct a horse**  
18 **race meeting shall apply to conduct not fewer than 20 days of live**  
19 **horse racing during its proposed race meeting.**

20       **(b) A county fair applicant for a license to conduct a horse**  
21 **race meeting shall apply to conduct live horse racing with no fewer**  
22 **than 8 live horse races programmed per racing day and no fewer than**  
23 **8 horses per race.**

24       **(13) Subject to subsections (4) through (11), if a county fair**  
25 **holding a race meeting license is unable to program and conduct at**  
26 **least 6 live horse races on a racing date awarded to the licensee**  
27 **because there are fewer than 6 entries in a race, the licensee**  
28 **shall not conduct any pari-mutuel wagering or simulcasting on that**  
29 **day.**

1       Sec. 14. (1) Before November 1 of the year preceding the year  
2 for which applications are made, the racing commissioner shall  
3 grant or deny each application for a race meeting license, allocate  
4 or deny the dates, for which application has been made, on which  
5 pari-mutuel wagering on live races may be conducted at each  
6 licensed race meeting in this state, and shall also determine  
7 whether the applicant may simulcast under section 18 during the  
8 calendar year for which the license is issued. The racing  
9 commissioner may grant a race meeting license for any time period  
10 up to 1 year during which the licensee may conduct live and  
11 simulcast horse races with pari-mutuel wagering on the results of  
12 the races.

13       (2) Subject to section 12(4), all simulcasting authorized by  
14 the racing commissioner must be conditioned on the holder of the  
15 license conducting not fewer than 8 live horse races on each live  
16 racing date allocated in the holder's race meeting license, unless  
17 this requirement is waived in writing by both the racing  
18 commissioner and the certified horsemen's organization with which  
19 the licensee has contracted.

20       (3) ~~The~~ **Unless the organization is a county fair in this**  
21 **state, the** racing commissioner shall not issue a race meeting  
22 license to an organization organized for a charitable purpose or  
23 organized for the purpose of distributing its profits or income to  
24 charitable organizations.

25       (4) Except as provided in section 12(4), (5), and (6), if  
26 after the issuance of a race meeting license the racing  
27 commissioner determines on further investigation that the holder of  
28 a race meeting license has not met, or will be unable to meet, the  
29 requirements of the license, the racing commissioner may impose a

1 fine or suspend or revoke the race meeting license, or both, for  
2 all or part of the remainder of the time period for which the  
3 license was granted. Before making the required determination to  
4 impose a fine or suspend or revoke a race meeting license under  
5 this subsection, the racing commissioner shall consider whether the  
6 race meeting licensee's inability or failure to meet the  
7 requirements of its license is due to a cause beyond the control of  
8 the race meeting licensee.

9 (5) Any action taken by the racing commissioner under  
10 subsection (4) becomes effective 10 days after the holder of the  
11 race meeting license receives written notice unless the  
12 commissioner finds that the public health, safety, or welfare  
13 requires emergency action and immediate effect of the  
14 commissioner's order.

15 (6) A denial of a race meeting license under subsection (3)  
16 may be appealed to the circuit court for judicial review under  
17 section 631 of the revised judicature act of 1961, 1961 PA 236, MCL  
18 600.631. A suspension or revocation of a race meeting license may  
19 be appealed under the administrative procedures act of 1969, 1969  
20 PA 306, MCL 24.201 to 24.328.

21 (7) Each applicant issued a race meeting license shall  
22 maintain an interest bearing account used exclusively to deposit  
23 all money due to horsemen's purse pools under this act. All money  
24 due to this account must be deposited within a reasonable time  
25 after receipt by the race meeting licensee. The name of the  
26 depository and the identification number of the account must be  
27 designated in each race meeting license application and all  
28 interest earned by the account must be credited to the purse pool  
29 and deposited in the account.