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SENATE BILL NO. 708

Offered January 26, 1998

A *BILL to amend and reenact §§ 59.1-365 and 59.1-385 of the Code of Virginia, relating to the definition of the term "racetrack" and the authority of the Virginia Racing Commission.*

Patrons—Stolle, Forbes and Schrock; Delegates: Croshaw, Drake, McDonnell, Purkey, Wagner and Wardrup

Referred to the Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 59.1-365 and 59.1-385 of the Code of Virginia are amended and reenacted as follows:

§ 59.1-365. Definitions.

Unless another meaning is required by the context, the following words shall have the meanings prescribed by this section:

"Breakage" means the odd cents by which the amount payable on each dollar wagered exceeds a multiple of ten cents.

"Commission" means the Virginia Racing Commission.

"Drug" shall have the meaning prescribed by § 54.1-3401. The Commission shall by regulation define and designate those drugs the use of which is prohibited or restricted.

"Enclosure" means all areas of the property of a track to which admission can be obtained only by payment of an admission fee or upon presentation of authorized credentials, and any additional areas designated by the Commission.

"Horse racing" means a competition on a set course involving a race between horses on which pari-mutuel wagering is permitted.

"Licensee" includes any person holding an owner's, operator's or limited license under §§ 59.1-375 through 59.1-386 of this chapter. The licensee under a limited license shall not be deemed an owner for the purposes of owning or operating a satellite facility.

"Member" includes any person designated a member of a nonstock corporation, and any person who by means of a pecuniary or other interest in such corporation exercises the power of a member.

"Pari-mutuel wagering" means the system of wagering on horse races in which those who wager on horses that finish in the position or positions for which wagers are taken share in the total amounts wagered, less deductions required or permitted by law and includes pari-mutuel wagering on simulcast horse racing originating within the Commonwealth or from any other jurisdiction.

"Permit holder" includes any person holding a permit to participate in any horse racing subject to the jurisdiction of the Commission or in the conduct of a race meeting or pari-mutuel wagering thereon as provided in § 59.1-387.

"Person" includes a natural person, partnership, joint venture, association, or corporation.

"Pool" means the amount wagered during a race meeting or during a specified period thereof.

"Principal stockholder" means any person who individually or in concert with his spouse and immediate family members, owns or controls, directly or indirectly, five percent or more of the stock of any person which is a licensee, or who in concert with his spouse and immediate family members, has the power to vote or cause the vote of five percent or more of any such stock.

"Race meeting" means the whole consecutive period of time during which horse racing with pari-mutuel wagering is conducted by a licensee.

"*Racetrack*" means an outdoor horse-racing course that includes at least one building or structure adjacent or appurtenant thereto which is permanently affixed to the real estate and for which a final certificate of occupancy has been issued by the local building official.

"Satellite facility" means all areas of the property at which simulcast horse racing is received for the purposes of pari-mutuel wagering, and any additional areas designated by the Commission.

"Simulcast horse racing" means the simultaneous transmission of the audio or video portion, or both, of horse races from a licensed horse racetrack or satellite facility to another licensed horse racetrack or satellite facility, regardless of state of licensure, whether such races originate within the Commonwealth or any other jurisdiction, by satellite communication devices, television cables, telephone lines, or any other means for the purposes of conducting pari-mutuel wagering.

"Steward" means a racing official, duly appointed by the Commission, with powers and duties prescribed by Commission regulations.

"Stock" includes all classes of stock of an applicant or licensee corporation, and any debt or other obligation of such corporation or stockholder thereof or stock of an affiliated corporation if the

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60 Commission finds that the holder of such obligation or stock derives therefrom such control of or voice
61 in the operation of the applicant or licensee corporation that he should be deemed a stockholder.

62 "Virginia Breeders Fund" means the fund established to foster the industry of breeding race horses in
63 the Commonwealth of Virginia.

64 § 59.1-385. Suspension or revocation of license.

65 A. After a hearing with fifteen days' notice the Commission may suspend or revoke any license, or
66 fine the holder thereof a sum not to exceed \$100,000, in any case where it has reason to believe that
67 any provision of this chapter, or any regulation or condition of the Commission, has not been complied
68 with or has been violated. The Commission may revoke a license if it finds that facts not known by it at
69 the time it considered the application indicate that such license should not have been issued.

70 B. The Commission shall revoke any license issued under § 59.1-382 for the operation of a satellite
71 facility ~~if and shall not reissue such license nor issue any new license to operate a satellite facility until~~
72 ~~such time as the licensee, within one year of issuance of the satellite facility license, fails to conduct~~
73 ~~live racing at a racetrack licensed pursuant to § 59.1-382.~~ *obtains a final certificate of occupancy from*
74 *the local building official for the racetrack.*

75 C. Deliberations of the Commission hereunder shall be conducted pursuant to the provisions of the
76 Virginia Freedom of Information Act (§ 2.1-340 et seq.). If any such license is suspended or revoked,
77 the Commission shall state its reasons for doing so, which shall be entered of record. Such action shall
78 be final unless appealed in accordance with § 59.1-373. Suspension or revocation of a license by the
79 Commission for any violation shall not preclude criminal liability for such violation.

80 **2. That an emergency exists and this act is in force from its passage.**