

INSTRUCTIONS

Required Licenses

Section 60-1A-8 of the Horse Racing Act requires all persons who are actively and directly engaged in the administration of a horse racetrack, whether in a financial, administrative, policymaking or supervisory capacity, to hold a secondary license issued by the New Mexico Racing Commission "Commission". If an applicant for a racetrack license is a corporation, all officers, directors, lenders or holders of evidence of indebtedness of the corporation and all persons who participate in any manner in a financial, administrative, policymaking or supervisory capacity are required to hold a secondary license.

Change of Licensee

It shall be the duty of every corporation holding a license to conduct a race meet in this state to notify, immediately, the Racing Commission when it appears from the stock records of the corporation that a person not licensed by the Commission holds ten percent or more of the total authorized, issued and outstanding shares of the corporation. Horse Racing Act 60-1A-8. All persons acquiring ten percent or more of the stock of a licensed corporation are required to be licensed as secondary licensees. If the stockholder is unqualified to be issued a secondary license by the Commission, the Commission shall give notice to the corporation and the person owning or holding the interest. The ineligible person shall without delay offer the shares to the corporation for purchase. If the corporation does not elect to purchase the shares, the person owning or holding the interest may offer the interest to other purchasers, subject to prior approval of the purchases by the Commission. Horse Racing Act 60-1A-9.

If a licensed corporation desires to change or add any administrative, policy making or supervisory personnel during the license period, the new personnel shall be licensed by the Commission prior to performing any financial, administrative, policy making or supervisory functions.

Submission Requirements

The applications are designed to ascertain the information necessary prior to consideration of the granting or renewal of an application to conduct a horse racing meeting in New Mexico. ***It is the duty of the applicant to complete the Application to Conduct a Horse Racing Meet. All Applications for Secondary Licenses must be attached to the application for a Primary License. The burden of proving the qualifications of an applicant or licensee to be issued or have a license renewed shall be on the applicant or licensee. Horse Racing Act 60-1A-11.*** If it is determined that an application is incomplete at the time of filing, the applicant will be notified and given a deadline in which they must submit a completed application. If after that time, the applicant fails to complete the application, it will be rendered inactive and the applicant will be required to file a new application.

Definitions

Renewal:

1. A renewal of a primary application shall be made no later than June 1st for all proposed racing meets and dates to be run in the succeeding calendar year. (Items 1 through 17 and Item 34 need only be completed for a renewal.) Horse Racing Act 60-1A-8.
2. A renewal of a secondary license shall be submitted annually. The Commission will accept an occupational license application in lieu of a secondary application for all secondary licensees. (The Commission may require secondary

licensees to submit a secondary application upon the expiration of three years.) Horse Racing Act 60-1A-9

Person” means one or more individuals, a partnership, association, organization, corporation, joint venture, legal representative, limited liability company, trustee, receiver, syndicate or other legal entity.

“Racetrack Licensee” or “applicant for primary license” means a person who has been issued a racetrack license.

“Secondary Licensee” or “applicant for a secondary license” means all officers, directors, shareholders, lenders or holders of evidence of indebtedness of a corporation or legal entity owning a horse racetrack, and all persons holding a direct or indirect interest of any nature whatsoever in the horse racetrack, including interests or positions that deal with the funds of the racetrack or that are administrative, policymaking or supervisory.

“Occupational Licensee” or “applicant for occupational license” means all vendors or persons having access to a restricted areas on the licensed premises, including a horse owner, trainer, jockey, agent, apprentice, groom, exercise person, veterinarian, valet, farrier, starter, clocker racing secretary, apprentice, groom exercise person, pari-mutuel clerk and other personnel designated by the Commission whose work, in whole or in part, is conducted around racehorses or pari-mutuel betting windows.

Rules of Attribution

To determine interest held in a racetrack, to the extent that the interest is based on stock ownership, the following rules of attribution shall be used:

1. **Individual.** An Individual shall be considered as owning the stock, directly or indirectly, if it is held by an immediate family member. For purposes of this paragraph, an “immediate family member” includes only the individual’s sibling, spouse or children. Horse Racing Act 60-1A-8.
2. **Persons other than Individuals.** Stock owned, directly or indirectly, by or for a corporation, partnership, estate or trust shall be considered as being owned proportionately by its share holders, partners or beneficiaries. Horse Racing Act 60-1A-8.
3. **Options.** Stock constructively owned by a person by reason of the application of Paragraph (1) (shown above) shall be considered to be actually owned by the person; and stock shall be constructively owned by an individual by reason of the application of Paragraph (2) (shown above) if the purpose of the constructive ownership is to make a person other than the individual applicant appear as the owner of stock. Horse Racing Act 60-1A-8.

Lenders

All persons who lend to a primary licensee, or hold evidence of indebtedness of the corporation must be individually licensed as secondary licensees. For example, a bank lending money to a corporation which owns ten percent or more of the stock of a corporation which is licensed to conduct a horse race meet in this state must be individually licensed. Horse Racing Act 60-1A-8.

