

SUBSTITUTE FOR
HOUSE BILL NO. 5881

A bill to amend 1995 PA 279, entitled
"Horse racing law of 1995,"
by amending section 9 (MCL 431.309), as amended by 2000 PA 164.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) The racing commissioner shall issue, without
2 further application, a track license to any person holding a
3 valid track license under former 1980 PA 327, and maintaining or
4 operating a licensed horse racetrack as of ~~the effective date of~~
5 ~~this act~~ **January 9, 1996** at which wagering by pari-mutuel
6 methods on the results of horse racing has been conducted by a
7 race meeting licensee.

8 (2) A track license, once issued, is valid only as long as
9 the annual license fee is paid, or until the track license is
10 voluntarily surrendered or is revoked as provided in this act or
11 the rules promulgated under this act.

1 (3) An applicant for a track license shall submit an
2 application that is in writing, that demonstrates to the racing
3 commissioner that the applicant has satisfactory financial
4 responsibility, that shows the location of the racetrack or of
5 the proposed racetrack, and that is accompanied by substantially
6 detailed plans and specifications for the racecourse, paddock,
7 grandstand, stable barns, racetrack buildings, fences, electrical
8 service and lighting, plumbing, parking, and other facilities and
9 improvements. The application shall include the name and address
10 of the applicant, and, if a corporation, the place of its
11 incorporation, and any other information required by the rules
12 promulgated under this act by the racing commissioner. Upon the
13 applicant's filing of the application and the payment of the
14 license fee, the racing commissioner shall investigate the
15 applicant and the racetrack or proposed racetrack as the racing
16 commissioner considers necessary. If the racing commissioner
17 determines that the applicant and the racetrack satisfy the
18 requirements of this act and the rules promulgated under this
19 act, the racing commissioner shall grant a license for the
20 racetrack, designating in the license the county or other
21 municipality in which the licensed racetrack shall be or is
22 located. If the racing commissioner determines that the
23 applicant or the racetrack, or both, do not comply with this act
24 and the rules promulgated under this act, the racing commissioner
25 shall deny the license. The action of the racing commissioner in
26 denying a track license may be reviewed by the circuit court
27 pursuant to section 631 of the revised judicature act of 1961,

1 1961 PA 236, MCL 600.631.

2 (4) Beginning the effective date of the amendatory act that
3 added this sentence, the racing commissioner shall grant or deny
4 an application under this section not later than 90 days after
5 the applicant files a completed application. Receipt of the
6 application is considered the date the application is received by
7 an agency or department of this state. If the racing
8 commissioner determines that the application is incomplete, the
9 racing commissioner shall notify the applicant in writing, or
10 make information electronically available, within 30 days after
11 receipt of the incomplete application, describing the deficiency
12 and requesting the additional information. The 90-day period is
13 tolled upon notification by the racing commissioner of a
14 deficiency until the date the requested information is received
15 by the racing commissioner. The determination of the
16 completeness of an application does not operate as an approval of
17 the application for the license and does not confer eligibility
18 of an applicant determined otherwise ineligible for issuance of a
19 license.

20 (5) If the racing commissioner fails to issue or deny a
21 license within the time required by this section, the racing
22 commissioner shall return the application fee. The failure to
23 issue a license within the time required under this section does
24 not allow the racing commissioner to otherwise delay the
25 processing of the application, and that application, upon
26 completion, shall be placed in sequence with other completed
27 applications received at that same time. The racing commissioner

1 shall not discriminate against an applicant in the processing of
2 the application based upon the fact that the application fee was
3 refunded under this subsection.

4 (6) Beginning October 1, 2005, the racing commissioner shall
5 submit a report by December 1 of each year to the standing
6 committees and appropriations subcommittees of the senate and
7 house of representatives concerned with racing issues. The
8 racing commissioner shall include all of the following
9 information in the report concerning the preceding fiscal year:

10 (a) The number of initial and renewal applications the racing
11 commissioner received and completed within the 90-day time period
12 described in subsection (4).

13 (b) The number of applications denied.

14 (c) The number of applicants not issued a license within the
15 90-day time period and the amount of money returned to applicants
16 under subsection (5).

17 (7) ~~(4)~~ A track license may be transferred to a new owner
18 of a racetrack with the consent of the racing commissioner.

19 (8) ~~(5)~~ After a track license is issued under this section,
20 the racing commissioner may impose a fine or suspend or revoke
21 the license if the holder of the license, after reasonable notice
22 from the racing commissioner, does not make necessary
23 improvements, additions, or corrections to the licensed premises,
24 fixtures, or equipment as determined and required by the racing
25 commissioner; if the holder of the license violates or is no
26 longer in compliance with the requirements of this act or the
27 rules promulgated under this act; or if the licensed premises are

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1 not utilized to conduct a licensed race meeting for 2 consecutive
2 years. In addition to the suspension or revocation of the
3 license, the racing commissioner may impose a fine or bring an
4 action in circuit court seeking an order of the court requiring
5 the licensee to make reasonable and necessary racetrack
6 improvements or additions as determined by the commissioner if
7 the licensee fails to make improvements or corrections that
8 comply with the applicable construction code or local
9 ordinances. The action of the racing commissioner in suspending
10 or revoking a track license shall comply with the administrative
11 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and
12 ~~shall be subject to appeal~~ **may be appealed.**

13 (9) ~~(6)~~ In a city area, not more than 3 racetracks shall be
14 licensed, except that in a city with a population of 900,000 or
15 more the racing commissioner may issue 1 additional license.

**[(10) A track license shall not be issued under this section if the
new license would result in harmful competition among existing
racetracks.]**

16 ~~(7) A person shall not be issued more than 1 track license.
17 Controlling ownership and interlocking directorates among the
18 holders of track licenses are prohibited.~~

19 ~~(8) A track license shall not be issued under this section if
20 the new license would result in harmful competition among
21 existing racetracks.~~

22 **[(11)]** As used in this section, "completed application" means
23 an application complete on its face and submitted with any
24 application fees and any other information, records, approval,
25 security, or similar item required by this act or a rule
26 promulgated under this act.