



Rules of
Department of Public Safety
Division 45—Missouri Gaming Commission
Chapter 51—Class A Licenses—Race Track Owner

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**Title 11—DEPARTMENT OF
PUBLIC SAFETY**

**Division 45—Missouri Gaming
Commission**

**Chapter 51—Class A Licenses—
Race Track Owner**

11 CSR 45-51.010 Class A License Defined

PURPOSE: The purpose of this rule is to define Class A licenses as the owner of the track where pari-mutuel wagering will be conducted.

(1) Class A license shall be a license granted by the commission for the ownership of a track where pari-mutuel wagering will be conducted.

(2) Class A licenses must be obtained by any organization seeking to own or build a track for any form of horse racing covered by sections 313.500–313.710, RSMo (1986).

(3) An organization may apply for and hold Class A and Class B licenses concurrently.

AUTHORITY: sections 313.540 and 313.580.1, RSMo 1986. This rule originally filed as 12 CSR 50-II.010. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to 11 CSR 45-51.010, effective Aug. 28, 1995.*

**Original authority: 313.540, RSMo 1986; 313.580, RSMo 1986.*

11 CSR 45-51.020 Application for Class A License

PURPOSE: The purpose of this rule is to set forth the requirements for a Class A license application.

(1) An application for a Class A license must include, on a form prepared by the commission:

(A) The name, address and telephone number of the applicant;

(B) The name, position, address, telephone number and authorized signature of an individual to whom the commission may make inquiry; and

(C) The information required by this chapter.

(2) The application for Class A license must be accompanied by an applicant's affidavit conforming to the requirements of 12 CSR50-10.030.

(3) The applicant shall be responsible to keep its pending application current at all times. The applicant shall notify the commission in writing within ten (10) days of any changes to any response in the application.

AUTHORITY: sections 313.540 and 313.580.1, RSMo 1986. This rule originally filed as 12 CSR 50-II.020. Original rule filed June 17, 1986, effective Oct. 27, 1986. Amended: Filed June 6, 1989, effective Aug. 24, 1989. Moved to 11 CSR 45-51.020, effective Aug. 28, 1995.*

**Original authority: 313.540, RSMo 1986; 313.580, RSMo 1986.*

11 CSR 45-51.030 Applicant's Affidavit

PURPOSE: The purpose of this rule is to set forth the contents of the applicant's affidavit which must accompany the application for Class A license.

(1) The application for Class A license must be accompanied by an affidavit of the chief administrative officer.

(A) As used in section (1) of this rule, chief administrative officer means—

1. The president of a corporation;
2. The managing partner or a partnership;
3. The general partner of a limited partnership; and
4. The individual of a sole proprietorship.

(B) If a consortium of financial participants is applying for a license and no formal chief administrative officer exists, the chief administrative officer of the largest financial participant shall sign the application.

(2) The affidavit required by this rule shall set forth—

(A) The application is made for a Class A license to own a track which will conduct pari-mutuel wagering;

(B) The affiant is the agent of the applicant and is duly authorized to make the representations in the application on behalf of the applicant.

1. Documentary evidence of the authority of the agent must be attached to the affidavit and incorporated in it.

2. Documentary evidence may consist of—

A. A resolution of the board of directors of a corporation;

B. The partnership agreement of a limited partnership designating the affiant as the general partner;

C. The partnership agreement of a general partnership designating the individual as the managing partner;

D. The fictitious name filing for a sole proprietorship; and

E. Any other document evidencing authority;

(C) The applicant consents to inquiries by the Missouri Horse Racing Commission, its employees, staff and agents into the financial, character and other qualifications of the applicant;

(D) That the applicant accepts any risk of adverse public notice, embarrassment, criticism or circumstance, including financial loss, which may result from action with respect to the application and expressly waives any claim which otherwise could be made against the state of Missouri, the Missouri Horse Racing Commission, its employees, staff or agents;

(E) The affiant has—

1. Read the applicant's identification and disclosures and knows the contents; and

2. The contents are true of the affiant's own knowledge—

A. Matters may be stated in the affidavit on information and belief; and

B. On any matters stated on information and belief affiant must affirmatively state s/he believes the information to be true;

(F) The applicant recognizes all representations in the application are binding on it and false or misleading information in the application, omission of required information or substantial deviation from representations in the application may result in denial, revocation or suspension of the license or imposition of a fine;

(G) The applicant will comply with Article III, Section 39 (b) of the Missouri Constitution, any statutes governing pari-mutuel wagering and the rules of the commission; and

(H) The affidavit must contain the following:

1. The organization on whose behalf the affiant is submitting the affidavit;

2. The affiant's signature;

3. The affiant's position;

4. The address and telephone number of the affiant; and

5. The date of signature.

AUTHORITY: sections 313.580.1 and 313.600.9, RSMo 1986. This rule originally filed as 12 CSR 50-II.030. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to 11 CSR 45-51.030, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986; 313.600, RSMo 1986.*

**11 CSR 45-51.040 Disclosure of Ownership and Control**

PURPOSE: The purpose of this rule is to set forth the disclosure of ownership and control required in an application for Class A license.

(1) An application for Class A license must disclose—

(A) The applicant's full name and the type of organizational structure under which the organization operates; and

(B) The business address and telephone number of the organization.

(2) If the applicant is an individual, the license application must disclose—

(A) The applicant's legal name;

(B) Whether the applicant is a United States citizen;

(C) Any aliases or business names which have ever been or are being used by the applicant; and

(D) Copies of the state and federal tax returns for the past five (5) years.

(3) If the applicant is a corporation, the application must disclose—

(A) The applicant's full corporate name and any trade names or fictitious names used by the applicant in this or any other jurisdiction;

(B) The jurisdiction and date of incorporation;

(C) The date the applicant commenced doing business in the state of Missouri, if any, and if the applicant is incorporated in any jurisdiction other than Missouri, a copy of the applicant's certificate or authority to do business in Missouri;

(D) Copies of each of the following:

1. Articles of incorporation;

2. Bylaws;

3. Federal corporate tax returns for the past five (5) years; and

4. State corporate tax returns for the past five (5) years;

(E) A statement of the general nature of applicant's business;

(F) Whether the applicant is publicly held as defined by the rules of the Securities and Exchange Commission;

(G) All the classes of stock authorized by the articles of incorporation. As to each class the applicant shall disclose—

1. The number of shares authorized;

2. The number of shares issued;

3. The number of shares outstanding;

4. The par value of each share;

5. The issue price of each share;

6. The current market price of each share;

7. The number of shareholders currently listed on the corporate books; and

8. The terms, rights, privileges and other information each class of stock possesses;

(H) If the applicant has any other obligations or securities authorized or outstanding which bear voting rights either absolutely or upon any contingency, together with the nature of the obligations. In addition, the following shall be disclosed for each obligation:

1. The face or par value;

2. The number of units authorized;

3. The number of units outstanding; and

4. Any conditions upon which the units may be voted;

(I) The names in alphabetical order and addresses of the directors. As to each director the following information shall be included:

1. The number of shares held of record as of the application date;

A. If the director owns no shares the application shall so state; and

B. Ownership of shares shall include beneficial owners as that term is defined in section 313.600.4., RSMo (1986);

(J) The names, in alphabetical order, and addresses of the officers of the applicant. As to each officer the following information shall be included:

1. The number of shares held on record as of the application date;

A. If the director owns no shares the application shall so state; and

B. Ownership of shares shall include beneficial owners as that term is defined in section 313.600.4., RSMo (1986);

(K) The names, in alphabetical order, and addresses of each record stockholder of the corporation. Stockholder shall mean record owners as defined in section 313.600.4., RSMo (1986). The applicant shall also include a percentage of the voting shares of stock owned by each record stockholder;

(L) Each jurisdiction, including the United States, for which the corporation has met filing and disclosure requirements of state securities registration and filing laws, the Securities Act of 1933 or the Securities and Exchange Act of 1934. The applicant shall include the most recent registration statement and annual report filed with the Securities and Exchange Commission and each state in which the corporation has registered or filed the report:

1. If the applicant has not registered or filed any statements with the commissioner of securities of the secretary of state of Missouri the applicant must state the reason the filing has not been made including specific refer-

ence to the exemption or exception upon which the applicant relies for not filing with the commissioner of securities of the state of Missouri; and

2. If the applicant has filed with the commissioner of securities of the state of Missouri, copies of all filings beginning with the most recent up to and including the first statement filed or for the past five (5) years, whichever is shorter, shall be included in the application.

(4) If the applicant is an organization other than a corporation the following information must be disclosed:

(A) The applicant's full name including any trade names or fictitious names currently in use by the applicant in Missouri or any other jurisdiction;

(B) The jurisdiction in which the applicant is organized;

(C) Copies of any written agreement, constitution or other document creating or governing the applicant's organization, powers of organization; and

(D) The date the applicant commenced doing business in Missouri.

1. If the applicant is organized under laws other than the state of Missouri a copy of the authorization of the state of Missouri to do business in Missouri.

2. If no authorization to do business in Missouri has been obtained, the applicant must state the reason the authorization has not been obtained;

(E) The applicant's federal and state tax returns for the past five (5) years.

1. If the applicant has not filed tax returns for each of the past five (5) years, the applicant shall state for each year a return was not filed the reason the return has not been filed.

2. If reasons for not filing tax returns in any years are the same, the applicant may explain those reasons together and need not set out each year separately;

(F) The general nature of the applicant's business;

(G) The names, in alphabetical order, and addresses of each partner, officer or other person having or sharing policy-making authority. As to each such person, the applicant must disclose—

1. The nature and extent of any ownership interest.

A. Ownership interest shall include any beneficial owner which is covered by section 313.600.4., RSMo (1986).

B. Any voting interest, whether absolute or contingent and the terms upon which the interest may be voted;



(H) The names, in alphabetical order, and addresses of any individual or other entity who holds a record or beneficial ownership as defined in section 313.600.4., RSMo (1986) in the application. The following information shall be given concerning each individual:

1. The nature of the ownership interest;
2. Whether the ownership interest carries a vote and the terms upon which the interest may be voted; and
3. The percentage of ownership.

(5) Whether the applicant is directly or indirectly controlled to any extent or in any manner by another individual or entity. If so, the applicant must disclose the identity of the controlling entity and a description of the nature and extent of the control. If the controlling entity is not an individual, the information required by this rule for the corporation or partnership or other organization controlling the applicant must be disclosed.

(6) Any agreements or understandings which the applicant or any individual or entity identified in this rule has entered into regarding ownership or operation of the applicant's track. If the agreement or understanding is written, a copy of the agreement must accompany the application. If the agreement or understanding is oral, the terms shall be reduced to writing and must accompany the application. Should the agreement or understanding be contingent in nature, the applicant shall disclose the nature of the contingency.

(7) Any agreements or understandings which the applicant has entered into for the payment of fees, rents, salaries or other compensation by the applicant or to the applicant. If the agreements or understandings are written, copies of the written documents must accompany the application. If the agreement or understanding is oral, the terms shall be reduced to writing and must accompany the application. Should the agreement or understanding be contingent in nature, the applicant shall disclose the nature of the contingency.

(8) Whether any officer, director or stockholder, as that term is defined in section 313.580.2., RSMo (1986) has been—

- (A) Convicted of a felony; and
- (B) Convicted of or pled nolo contendere to any illegal gambling activity.

(9) Whether the applicant, any partner, director, officer, policy-maker, stockholder, as that term is defined in section 313.600.4., RSMo

(1986), currently holds or has ever held a license or permit issued by a governmental authority to own and operate a horse racing facility or conduct any aspect of horse racing or gambling. If the applicant has held or holds a license or permit, the applicant must disclose—

- (A) The identity of the license or permit holder;
- (B) The jurisdiction issuing the license or permit;
- (C) The nature of the license or permit; and
- (D) The dates of issuance and termination, if any.

(10) The applicant shall provide a detailed itemized summary of all income received and expense incurred relating to the preparation of the application and pursuit of a Class A license. The summary shall include the source of income and the amount paid, the recipient and a brief description of goods or services purchased. The summary shall be updated by the applicant periodically throughout the application process.

*AUTHORITY: sections 313.580 and 313.600.4, RSMo 1986. * This rule originally filed as 12 CSR 50-11.040. Original rule filed June 17, 1986, effective Oct. 27, 1986. Amended: Filed June 6, 1989, effective Aug. 24, 1989. Moved to 11 CSR 45-51.040, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986; 313.600, RSMo 1986.*

11 CSR 45-51.050 Disclosure of Character Information

PURPOSE: The purpose of this rule is to set forth the character information required in an application for Class A license.

(1) An applicant for a Class A license must make its best effort to disclose the information required by this rule for any individual or other entity employed by the applicant, whether as an employee or an independent contractor.

(2) The applicant must disclose—

- (A) Whether any individual or corporation enjoying any interest in any application has been charged and/or convicted or entered a plea of guilty or nolo contendere to any charge in any criminal proceeding, and whether or not a sentence is imposed. If any individual or entity has been so charged and/or convicted, the applicant must disclose—

1. The date charged and/ or convicted or entry of plea;
2. The court;
3. The offense charged or convicted of;
4. If convicted, whether by plea or finding of a judge or jury; and
5. If convicted, the sentence imposed, if any;

(B) Whether any individual or corporation has been a party in a civil proceeding in which s/he has been alleged to have engaged in any unfair or anti-competitive business practice, a securities violation or false or misleading advertising. If any individual or entity has been a party to the civil proceeding, the applicant must provide—

1. The date of commencement of the proceeding;
2. The court;
3. The circumstances;
4. The date of any resolution including settlements;
5. The terms of any settlement;
6. The result of any trial; and
7. The result of any appeal;

(C) Whether any individual or entity has had a horse racing, gambling or other business license or permit revoked or suspended or the renewal of the license denied or has been a party in any proceeding to do so. If any applicant or entity has been involved in a proceeding, the applicant must disclose—

1. The date of commencement;
2. The circumstances;
3. The date of decision; and
4. The result;

(D) Whether any individual or entity has been accused in an administrative or judicial proceeding of the violation of a statute or rule relating to unfair labor practices, discrimination, horse racing or gambling. If any individual or entity has been involved in any proceeding, the applicant must disclose—

1. The date of commencement;
2. The forum;
3. The circumstances;
4. The date of any decision; and
5. The result;

(E) Whether any individual or entity has commenced an administrative or judicial action against a government regulator of horse racing or gambling. If so, the applicant must disclose—

1. The date of commencement;
2. The forum;
3. The circumstances;
4. The date of any decision; and
5. The result;

(F) Whether any individual or entity has been the subject of voluntary or involuntary bankruptcy proceeding. If so, the applicant must disclose—



1. The date of commencement;
2. The form;
3. The circumstances;
4. The date of decision; and
5. The result;

(G) Whether any individual or entity has failed to satisfy any judgment, decree or order of any administrative or judicial tribunal. If so, the applicant must disclose—

1. The date; and
2. The circumstances surrounding the failure; and

(H) Whether any individual or entity has been delinquent in filing a tax report required or remitting a tax imposed by any government. If so, the applicant must disclose—

1. The date the filing or tax report was required;
2. The date the filing or remission was accomplished; and
3. The complete circumstances surrounding the delinquent filing or remission.

AUTHORITY: section 313.580, RSMo 1986. This rule originally filed as 12 CSR 50-11.050. Original rule filed June 17, 1986, effective Oct. 27, 1986. Amended: Filed June 6, 1989, effective Aug. 24, 1989. Moved to 11 CSR 45-51.050, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.060 Disclosure of Financial Interests

PURPOSE: The purpose of this rule is to set forth the financial interests required in an application for Class A license.

(1) An application for Class A license must disclose all financial interests that any officer, director or shareholder has in any entity involved in horse racing. The financial interests shall include all direct and indirect interests.

(2) The financial interests of each individual disclosed under this rule shall be set forth separately and shall include:

- (A) The entity in which the financial interests exists;
- (B) The nature of the financial interests;
- (C) The amount of capital investment;
- (D) The expected return for the current fiscal year; and
- (E) Actual returns for the past five (5) years.

AUTHORITY: section 313.600.3., RSMo 1986. This rule originally filed as 12 CSR 50-11.060. Original rule filed June 17, 1986,*

effective Oct. 27, 1986. Moved to 11 CSR 45-51.060, effective Aug. 28, 1995.

**Original authority: 313.600, RSMo 1986.*

11 CSR 45-51.070 Disclosure of Improvements and Equipment

PURPOSE: The purpose of this rule is to set forth the requirements for disclosure of improvements and equipment for a Class A license.

(1) An application for a Class A license must disclose the following information for the track to be owned or improved:

(A) An address of the facility, its size and geographical location, including reference to county and municipal boundaries;

(B) A site map which reflects current and proposed highways and streets adjacent to the facility;

(C) The types of racing for which the facility is designed, whether thoroughbred, harness, quarterhorse or any combination;

(D) The racetrack dimensions by circumference, width, banking, location of chutes, length of stretch, distance from judge's stand to first turn and type of surface. If the facility has more than one (1) racetrack, the applicant must provide a description for each racetrack;

(E) A description of horse stalls at the facility, giving the total number of stalls, the dimension of each stall, separation and location of the stalls;

(F) A description of the grandstands including all of the following:

1. The total seating capacity;
2. The total reserve seating capacity;
3. The indoor and outdoor seating capacity;
4. The configuration of the grandstand seating;
5. The location and configuration of the pari-mutuel facilities within the grandstand;
6. The configuration and location of the concession facilities within the grandstand;
7. The number and location of mens' and womens' restrooms within the grandstand; and
8. A description of the public pedestrian traffic patterns throughout the grandstand;

(G) A description of the detention barn including all of the following information:

1. The distance from the detention barn to the track;
2. The distance from the detention barn to the paddock;
3. The number of sampling stalls;

4. The placement of viewing ports on each stall;

5. The location of the postmortem floor;

6. The number of wash stalls with hot and cold water and drains;

7. The availability of video monitors; and

8. A description of the walking ring;

(H) A description of the paddock area including all of the following information:

1. The number of stalls in the paddock;

2. The height from the floor to the lowest point of the stall, ceiling and entrance; and

3. The paddock, public address and telephone services;

(I) A description of the jockey and/or driver's quarters together with all of the following information:

1. The changing areas;

2. A listing of equipment to be installed in the quarters; and

3. The location of the jockey's or driver's quarters in relation to the paddock;

(J) A description of the pari-mutuel tote including all of the following information:

1. The approximate location of bettor's windows;

2. Cash security areas; and

3. A description of the equipment including the provider if known;

(K) A description of parking including all of the following information:

1. A detailed description of access to parking from surrounding streets and highways;

2. The number of parking spaces available;

3. A description of any parking other than public parking and its location;

4. A description of the road surface on parking areas;

5. The distance between the parking area(s) and the grandstand; and

6. A road map of the area showing the relationship of parking to surrounding streets and highways. The requirements of this subsection may be included on the site map required by subsection (1)(B) of this rule;

(L) A description of the perimeter fence including all of the following information:

1. The height;

2. The type of construction and a description of the materials;

3. Whether the perimeter fence is topped by a barbed wire apron at least two feet (2') wide and directed outward at a forty-five degree (45°) angle;

4. Whether there is a clear zone at least four feet (4') wide around the outside of the entire perimeter fence; and



5. Proposed alternatives to a perimeter fence which does not meet the description in this subsection;

(M) A description of improvements and equipment at the racetrack for security purposes in addition to a perimeter fence, including the provider of equipment if known;

(N) A description of starting, timing, photo-finish and photo-patrol or video equipment, including the provider if known;

(O) A description of work areas for the commission members, officers, employees and agents;

(P) A description of access of the facility to public transportation, specifics of the type of transportation and schedules, road maps of area indicating pickup and dropoff points. The requirements of this subsection may be included on the site map required in subsection (1)(B) of this rule;

(Q) A description of the overnight accommodations for the public including:

1. The number of hotel/motel rooms;
2. The number of campgrounds, if any;

and

3. The distance from other population centers to the facility for all population centers from which the applicant expects to draw patrons; and

(R) A description of the public access to the community surrounding the proposed facility including air service, train service and highways.

AUTHORITY: sections 313.580.1 and 313.632, RSMo 1986. This rule originally filed as 12 CSR 50-11.070. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to 11 CSR 45-51.070, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986; 313.632, RSMo 1986.*

11 CSR 45-51.080 Disclosure of Development Process

PURPOSE: The purpose of this rule is to set forth the required disclosure of the development process for a Class A license.

(1) An applicant for a Class A license must disclose with regard to the development of its racing facility—

(A) The total cost of construction of the facility or any modifications of an existing facility, distinguishing between fixed costs and projections;

(B) Separate identification of the following costs, if applicable, distinguishing between fixed costs and projections:

1. Facility design;
2. Land acquisition;
3. Site preparation;
4. Improvements and equipment separately identifying the costs of the items required in 12 CSR 50-13.050(D)–(O) and other categories of improvements and equipment;
5. Interim financing;
6. Permanent financing; and
7. Organization, administrative, accounting and legal;

(C) Documentation of fixed costs;

(D) The schedule for construction, if any, of the facility or any modifications to an existing facility including estimated completion date;

1. Provide an estimated time schedule for construction, including how long after licensure will the proposed project be fully operational. Show the number of months after the license is granted that each of the following activities will commence and be completed:

- A. Solicitation of bids;
- B. Award of construction contract(s);
- C. Construction commencement;
- D. Completion of construction;
- E. Occupancy of new facility or space;
- F. Training of staff; and
- G. Commission check and inspection of facility for public and racing readiness; and

2. With respect to the solicitation of bids, awarding of construction contracts, commencement of construction and completion of construction, provide an itemized timetable for the components of the construction program listed here:

- A. Land clearing
- B. Site preparation and grading;
- C. Grandstand;
- D. Barns;
- E. Paddock and jockey's quarters;
- F. Track;
- G. Parking lot;
- H. Test barn;
- I. Racing secretary's office
- J. Maintenance shed;
- K. Landscaping; and
- L. Other (specify).

3. The applicant's plans must meet the fire safety requirements of the state fire marshal. Attach a letter from the state fire marshal stating tentative approval.

(E) Schematic drawings;

(F) Copies of any contracts with and performance bonds for each of the following:

1. Architect or other design professional;
2. Project engineer;

3. Construction engineer;
4. Contractors and subcontractors; and
5. The equipment procurement personnel; and

(G) Evidence of acquisition or lease of the site by the applicant. If the site is not owned or currently leased by the applicant, the applicant must disclose the plans for the acquisition or lease or other use of the site.

AUTHORITY: sections 313.580.1 and 313.632, RSMo 1986. This rule originally filed as 12 CSR 50-11.080. Original rule filed June 17, 1986, effective Oct. 27, 1986. Amended: Filed June 6, 1989, effective Aug. 24, 1989. Moved to 11 CSR 45-51.080, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986; 313.632, RSMo 1986.*

11 CSR 45-51.090 Disclosure of Financial Resources

PURPOSE: The purpose of this rule is to set forth the disclosure of financial resources required for the Class A licenses.

(1) An applicant for a Class A license must disclose the following with regard to financial resources:

(A) An audited financial statement reflecting the applicant's current assets including investments in affiliated entities, loans and advances receivable and fixed assets and current liabilities including loans and advances payable, long-term debt and equity. (The commission may require additional financial information from each equity and/or debt source.);

(B) Equity and debt sources of funds to develop and operate the horse racing facility for which the license is requested—

1. For each source of equity contribution the following information must be included:

- A. Identification of the source;
- B. The amount;
- C. The form;
- D. Method of payment;
- E. The nature and amount of present commitment; and

F. Documentation;

2. For each source of debt contribution the following information must be provided:

- A. Identification of the source;
- B. The amount;
- C. Terms of the debt;
- D. Collateral, if any;
- E. Identity of guarantors, if any;
- F. Nature and amount of commitments; and



G. Documentation; and

3. If the applicant anticipates obtaining further equity or debt contributions, the applicant must disclose the plans for obtaining commitments; and

(C) Identification and description of sources of additional funds, if needed, due to cost overruns, nonreceipt of expected equity or debt funds, failure to achieve projected revenues or other cause.

AUTHORITY: section 313.580, RSMo 1986.* This rule originally filed as 12 CSR 50-II.090. Original rule filed June 17, 1986, effective Oct. 27, 1986. Amended: Filed June 6, 1989, effective Aug. 24, 1989. Moved to 11 CSR 45-51.090, effective Aug. 28, 1995.

*Original authority: 313.580, RSMo 1986.

11 CSR 45-51.100 Disclosure of Financial Plan

PURPOSE: The purpose of this rule is to set forth the requirements for disclosure of financial plan for Class A licenses.

(1) The applicant for a Class A license must disclose its financial projections for the development period and for the conducting of the race meets.

(2) Separate schedules based on the number of racing days and the types of pari-mutuel wagering must be included.

(3) The disclosure must include:

(A) A projection of the type and length of race meeting anticipated;

(B) The applicant's requirements for breaking even, including the optimum number of racing days, for each meet anticipated and the anticipated type of betting;

(C) The following assumptions and the support for them for the first five (5) years of racing (Provide assumptions and support for both live on-track racing and simulcast racing.):

- 1. Average daily handle;
2. Average daily attendance; and
3. Per capita wager;

(D) Provide financial projections regarding the operation at the end of the development period and each of the first five (5) years of racing setting forth the following elements, including assumptions and support for them. (Provide separate schedules for live on-track racing and simulcast racing and a combined schedule of both.):

- 1. Revenues—
A. Retainage;
B. Breakage;

- C. Outstanding tickets;
D. Admission;
E. Parking;
F. Program sales;
G. Concession (food and beverage);
H. Interest; and
I. Other (specify);
2. Racing expenses—
A. Purses;
B. Breeders awards;
C. Breakage;
D. Outstanding tickets;
E. Pari-mutuel tax; and
3. Operation expenses—
A. Marketing;
B. Legal;
C. Audit;
D. Insurance (property);
E. Insurance (liability);
F. Insurance (other);
G. Repair and maintenance;
H. Printing (program);
I. Printing (other);
J. Consulting fees;
K. Membership;
L. Equipment rental;
M. Totalizer rental;
N. Travel and entertainment;
O. Utilities and telephone;
P. Operating supplies and services;
Q. Salary and wages;
R. Payroll taxes and employee bene-

fits;

- S. Sales tax;
T. Admission tax;
U. Property tax;
V. Waste removal;
W. Interest;
X. Drug testing;
Y. MHRC license fees; and
Z. Other (specify); and
4. Nonoperating expenses, including anticipated expenses for—
A. Debt service;
B. Facility depreciation, including the identification of method used; and
C. Equipment depreciation, including the identification of the method used;
(E) Projected cash flow including assessments of:
1. Income, including:
A. Equity contributions;
B. Debt contributions;
C. Interest income; and
D. Operating revenue; and
2. Disbursements, including:
A. Land;
B. Improvements;
C. Equipment;
D. Debt service;
E. Operating expense; and
F. Organizational expense; and

(F) Project balance sheets as of the end of the development period and for the requested race meets setting forth—

- 1. Current fixed and other noncurrent assets;
2. Current and long-term liabilities; and
3. Capital accounts.

(4) The applicant must also disclose an accountant's report of the financial projections.

(5) The commission will utilize financial projections in deciding whether to issue Class A licenses. Neither acceptance of a license application nor issuance of a license shall bind the commission as to matters within its discretion, including, but not limited to, assignment of racing days and design of types of permissible pari-mutuel pools.

AUTHORITY: section 313.580, RSMo 1986.* This rule originally filed as 12 CSR 50-II.100. Original rule filed June 17, 1986, effective Oct. 27, 1986. Amended: Filed June 6, 1989, effective Aug. 24, 1989. Moved to 11 CSR 45-51.100, effective Aug. 28, 1995.

*Original authority: 313.580, RSMo 1986.

11 CSR 45-51.110 Disclosure of Governmental Actions

PURPOSE: The purpose of this rule is to set forth the disclosure requirements for governmental actions in Class A licenses.

(1) An applicant for a Class A license must disclose the following with regard to governmental agencies:

(A) The street and highway improvements necessary to insure adequate access to applicant's horse racing facility and the cost of improvements, status, likelihood of completion and estimated date;

(B) The sewer, water and other public utility improvements necessary to serve applicant's facility and the cost of improvements, status, likelihood of completion and estimated date;

(C) If the applicant has obtained or must obtain any required governmental improvements for its development, ownership, construction or the operation of the track by the applicant or any other entity the following must be disclosed:

- 1. If the approvals have been obtained—
A. A description of the approval, unit of government, date and documentation;
B. Whether public hearings were held and if they were the dates and locations of the



hearings. If hearings were not held, the applicant must explain the reason; and

C. Whether the unit of government conditioned its approval and, if so, the conditions imposed, including documentation; and
2. As to any approvals from governmental units which remain to be obtained—

- A. A description of the approval;
- B. The governmental unit which must approve;
- C. The status;
- D. The likelihood of approval; and
- E. The estimated date of approval;

(D) Whether an environmental assessment of the facility has been or will be prepared—

1. If so, the applicant must disclose its status and the governmental unit with jurisdiction; and

2. The applicant must provide a copy of any assessment to the commission;

(E) Whether an environmental impact statement is required for applicant's facility—

1. If so, the applicant must disclose its status and the governmental unit with jurisdiction; and

2. The applicant must provide the commission with a copy of any statement; and

(F) Whether the applicant is in compliance with all statutes, charter provisions, ordinances and regulations pertaining to the development, ownership and operation of its horse racing facility. If the applicant is not in compliance, the following information must be disclosed:

1. The reasons why the applicant is not in compliance; and

2. The plans for compliance or exemption from any such requirements.

AUTHORITY: section 313.580.1, RSMo 1986. This rule originally filed as 12 CSR 50-11.110. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to 11 CSR 45-51.110, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.120 Disclosure of Management

PURPOSE: The purpose of this rule is to set forth the requirements for disclosure of management for a Class A license.

(1) An applicant for a Class A license must disclose each of the following for the development and ownership of the proposed pari-mutuel horse racing track:

(A) A description of the applicant's management plan including:

- 1. A budget;

2. Identification of management personnel by function;

3. Job descriptions for each position;

4. Qualifications for each position; and

5. A copy of the organizational chart;

(B) Management personnel to the extent known including the following information for each person:

1. Legal name, including any alias(es) or previous names;

2. Current residence and business addresses and telephone numbers;

3. Qualifications and experience in the following areas:

- A. General business;
- B. Real estate development;
- C. Construction;
- D. Marketing promotion and advertising;
- E. Financing and accounting;
- F. Horse racing;
- G. Pari-mutuel betting;
- H. Security; and
- I. Human and animal health and safety; and

4. A description of the terms and conditions of employment including a copy of any agreements;

(C) The following information, to the extent known, must be provided for each consultant or other contractor who has provided or will provide management related services to the applicant:

1. Full name including any alias(es) or previous names;

2. Current residence and business addresses and telephone numbers;

3. The nature of the services provided or to be provided;

4. The qualifications and experience of the consultant or contractor; and

5. Description of the terms and conditions of any agreement including a copy of the agreement;

(D) Memberships of the applicant, management personnel and consultants in horse racing organizations;

(E) Description of the applicant's security plan including:

1. Number and development of security personnel used by the applicant during the race meeting, security staff levels and deployment at other times;

2. Specific security plans for perimeter, stabling facilities, pari-mutuel betting facilities, purses and cash room;

3. Specific plans to discover persons at the horse racing facility who have been convicted of any felony, had a horse racing license suspended, revoked or denied by the commission or by any horse racing authority

of another jurisdiction or are a threat to the integrity of horse racing in Missouri;

4. Description of video-monitoring equipment and its use;

5. Whether the applicant will be a member of the Thoroughbred Racing Protective Bureau, the United States Trotting Association or the American Quarterhorse Association or other security organization; and

6. Coordination of security with law enforcement agencies in the area;

(F) Description of the applicant's plans for human and animal health and safety, including emergencies;

(G) Description of the applicant's marketing, promotion and advertising plans;

(H) Description of the applicant's plans for concessions, including whether the licensee will operate concessions, and if not, who will;

(I) A description of training of the applicant's personnel; and

(J) A description of plans for compliance with the following:

1. The laws pertaining to discrimination, equal employment and affirmative action;

2. Policies regarding recruitment use and advancement of minorities;

3. Policies with respect to minority contracting;

4. A copy of Equal Employment Opportunity Statement and Policy of the applicant dated and signed by the chief executive officer;

5. A copy of any Affirmative Action Policy Procedures dated and signed by the chief executive officer; and

6. Identification of the affirmative action officer including his/her name, title, address and telephone number.

AUTHORITY: section 313.580, RSMo 1986. This rule originally filed as 12 CSR 50-11.120. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to 11 CSR 45-51.120, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.130 Disclosure of Public Service

PURPOSE: The purpose of this rule is to set forth the requirements for disclosure of public service plan for a Class A license.

(1) An applicant for a Class A license must disclose its plan for the promotion of the orderly growth of horse racing in Missouri and education of the public with respect to horse racing and pari-mutuel betting.



AUTHORITY: section 313.580, RSMo 1986. This rule originally filed as 12 CSR 50-II.130. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to II CSR 45-51.130, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.140 Disclosure of Impact of Facility

PURPOSE: The purpose of this rule is to set forth the disclosures required of the impact of the facility for a Class A license.

(1) An applicant for a Class A license must disclose the impact of its horse racing facility including:

- (A) Economic impact—
 1. The employment created and specifics as to the number of jobs distinguishing between permanent and temporary, the type of work, compensation, employer and how created;
 2. Purchase of goods and services and specifics as to the amounts and types of purchases;
 3. Public and private investment; and
 4. Tax revenues generated;
- (B) Ecological impact;
- (C) Impact on energy conservation and development of alternative energy sources; and
- (D) Social impact.

AUTHORITY: section 313.580.1, RSMo 1986. This rule originally filed as 12 CSR 50-II.140. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to II CSR 45-51.140, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.150 Disclosure of Public Support and Opposition

PURPOSE: The purpose of this rule is to disclose the public support or opposition for the Class A license.

(1) An applicant for a Class A license must disclose public support and opposition whether by governmental officials or agencies, private individuals or groups and must supply documentation for the support or opposition.

AUTHORITY: section 313.580.1, RSMo 1986. This rule originally filed as 12 CSR 50-II.150. Original rule filed June 17, 1986,*

effective Oct. 27, 1986. Moved to II CSR 45-51.150, effective Aug. 28, 1995.

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.160 Effects on Competition

PURPOSE: The purpose of this rule is to disclose the requirements on the effect of competition for a Class A license application.

(1) An applicant for a Class A license must disclose the effects of its ownership and the operation of horse racing at its track on competitors within the horse racing industry.

AUTHORITY: section 313.580, RSMo 1986. This rule originally filed as 12 CSR 50-II.160. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to II CSR 45-51.160, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.170 Disclosure of Assistance in Preparation of Application

PURPOSE: The purpose of this rule is to require disclosure of any assistance in the preparation of the Class A license application.

(1) An applicant for a Class A license must disclose the names, addresses and telephone numbers of all individuals who assisted the applicant in the preparation of its application under these rules.

AUTHORITY: section 313.580.1, RSMo 1986. This rule originally filed as 12 CSR 50-II.170. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to II CSR 45-51.170, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.180 Personnel Information and Authorization for Release

PURPOSE: The purpose of this rule is to set forth the information and authorized release for personnel who will be involved in the supervision or conduct of pari-mutuel wagering.

(1) The applicant must make its best effort to include the following for each individual who will have any beneficial ownership as defined in section 313.600.4., RSMo (1986), responsibility or duties for the conduct of pari-

mutuel wagering under the Class A license for which application is made:

(A) Information to be provided by each individual—

1. Full name including any alias(es) or previous names;
2. Business address;
3. Residence address;
4. Telephone numbers;
5. Last five (5) residences;
6. Date of birth;
7. Place of birth;
8. Social Security number, if the individual is willing to provide it. The commission application must make clear the Social Security number is provided voluntarily; and
9. Two (2) references; and

(B) An authorization for the release of personal information, on a form prepared by the commission, shall be signed by each individual and submitted with the application. The forms shall provide that the individual—

1. Authorizes a review by and full disclosure to the Missouri State Highway Patrol of all records concerning the individual, whether the records are public, nonpublic, private or confidential;
2. Recognizes the information reviewed or disclosed may be used by the Missouri Horse Racing Commission, its employees, staff and agents to determine the applicants' qualifications for a Class A license; and

3. Releases the Missouri Horse Racing Commission, its employees, staff and agents and the providers of any information requested by the commission, its employees, staff and agents from any liability under state or federal privacy laws.

AUTHORITY: section 313.580, RSMo 1986. This rule originally filed as 12 CSR 50-II.180. Original rule filed June 17, 1986, effective Oct. 27, 1986. Moved to II CSR 45-51.180, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.190 Class A License Criteria

PURPOSE: The purpose of this rule is to set forth the criteria for the issuance of Class A licenses.

(1) The commission may issue a Class A license if it determines on the basis of all the facts before it that the applicant meets the criteria contained in section 313.580.3., RSMo (1986).



(2) In making the required determinations, the commission must consider the following factors and indices:

(A) The integrity of the applicant and any personnel employed to have duties and responsibilities for operating pari-mutuel wagering. This determination shall include consideration of:

1. Any criminal record of any individual;
2. The involvement in litigation over business practices by the applicant or any individuals or entities employed by the applicant;
3. The involvement in proceedings in which unfair labor practices, discrimination or regulation of horse racing or gambling was an issue;

4. Failure to satisfy any judgments, orders or decrees of any court; and

5. Any other indices related to integrity which the commission deems crucial to its decision-making as long as the same indices are considered with regard to all applicants;

(B) The types and variety of pari-mutuel horse racing which applicant may offer and the ability to attract quality horses to the facility and location;

(C) The quality of the physical facility together with improvements and equipment including:

1. The racetrack(s);
2. Stabling;
3. Grandstand;
4. Detention barn;
5. Paddock;
6. Jockey's and driver's quarters;
7. Pari-mutuel tote;
8. Parking;
9. Access by road and public transportation;
10. Perimeter fence;
11. Other security improvements and equipment;
12. Starting, timing, photo-finish and photo-patrol or video equipment;
13. Commission work areas; and
14. Any other indices related to quality of the facility which the commission deems crucial to its decision-making as long as the same indices are considered with regard to all applicants;

(D) The imminence of completion of the facility or any improvements thereon;

(E) Financial ability to develop and operate a pari-mutuel horse racing facility successfully, including:

1. Ownership and control structure;
2. Amounts and reliability of development costs;
3. Certainty of site acquisition or lease;
4. Current financial conditions;

5. Sources of equity and debt funds, amounts, terms and conditions and certainty of commitment;

6. Provisions for cost overruns, nonreceipt of expected equity or debt funds, failure to achieve projected revenues or other financial adversity;

7. Feasibility of financial plan; and

8. Any other indices related to financial ability which the commission deems crucial to its decision-making as long as the same indices are considered with regard to all applicants;

(F) The status of governmental actions required by the applicant's facility including:

1. Necessary road improvements;

2. Necessary public utility improvements;

3. Required governmental approvals for development, ownership and operation of the track;

4. Acceptance of any required environmental assessment and preparation of any required environmental impact statement; and

5. Any other indices related to the status of governmental actions which the commission deems crucial to its decision-making as long as the same indices are considered with regard to all applicants;

(G) Management ability of the applicant including:

1. Qualifications of managers, consultants and other contractors to develop and own a pari-mutuel horse racing facility and the likelihood of projected operation;

2. Security plan;

3. Plans for human and animal health and safety;

4. Plans for marketing, promotion and advertising;

5. Concession plan;

6. Plan for training personnel;

7. Equal employment and affirmative action plan; and

8. Any other indices related to management ability which the commission deems crucial to its decision-making as long as the same indices are considered with regard to all applicants;

(H) Compliance with applicable statutes, regulations, charters and ordinances;

(I) Efforts to promote orderly growth of horse racing in Missouri and educate the public with respect to horse racing and pari-mutuel betting;

(J) The impact of the facility including:

1. The economic impact—

A. The employment created;

B. The purchases of goods and services;

C. Public and private investment; and

D. Taxes generated;

2. Ecological impact;

3. Impact on energy conservation and development of alternative energy sources;

4. Social impact;

5. Cost of public improvements; and

6. Any other indices related to impact which the commission deems crucial to its decision-making as long as the same indices are considered with regard to all applicants;

(K) The extent of any public support or opposition; and

(L) Effects on competition, including:

1. Number, nature and relative location of other Class A licenses;

2. Number, nature and relative location of racetracks, including horse racing and dog racing, in other states;

3. Minimum and optimum number of racing days which may be sought by Class B applicants; and

4. Any other indices of the impact of competition which the commission deems crucial to decision-making as long as the same indices are considered with regard to all applicants.

(3) The commission may also consider any other information which the applicant discloses and which is relevant or helpful to a proper determination by commission.

*AUTHORITY: sections 313.580.1 and 313.580.3, RSMo 1986. * This rule originally filed as 12 CSR 50-II.190. Original rule filed June 17, 1986, effective Oct. 27, 1986. Emergency amendment filed Jan. 5, 1987, effective Jan. 15, 1987, expired May 15, 1987. Amended: Filed Jan. 9, 1987, effective June 11, 1987. Moved to 11 CSR 45-51.190, effective Aug. 28, 1995.*

**Original authority: 313.580, RSMo 1986.*

11 CSR 45-51.200 Application and License Fees for Class A License

PURPOSE: The purpose of this rule is to set the application and license fees for Class A licenses.

(1) The one (1)-time nonrefundable fee for Class A license shall be twenty five thousand dollars (\$25,000).

(2) The one (1)-time license fee for Class A license shall be ten thousand dollars (\$10,000).

(3) An issued Class A license is not transferable.



AUTHORITY: section 313.620, RSMo 1986.
This rule originally filed as 12 CSR 50-
II.200. Emergency rule filed June 20, 1986,
effective June 30, 1986, expired Oct. 13,
1986. Original rule filed June 17, 1986,
effective Oct. 27, 1986. Amended: Filed July
18, 1989, effective Sept. 28, 1989. Moved to
II CSR 45-51.200, effective Aug. 28, 1995.*

**Original authority: 313.620, RSMo 1986.*