

# KENTUCKY HORSE RACING COMMISSION

February 16, 2021

## AGENDA

**Location:** Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511

**Time:** 1:30 pm

### I. Call to Order and Roll Call

### II. New Business

1. Meeting Minutes from December 8, 2020
2. Keeneland's 2021 Spring Meet KTDF Purse Structure
3. Churchill Downs' 2021 Spring Meet KTDF Purse Structure
4. Churchill Downs' Backside Improvement Request
5. Kentucky Horse Breeders' Incentive Fund: Period VI Applications for Participation in 2021
6. Proposed amendments to 810 KAR 5:080
7. Ratification of Executive Director Approval of Kentucky Downs' Request to Expand its License Premises to an Extension Facility
8. ECL Corbin's Request to amend section R of their 2021 Application to Shift Race Dates for the 2021 Race Meet
9. Keeneland's Request to amend section R to their 2021 Application for Race Dates
10. Consideration of Removal of Withdrawal Guidelines for Fluphenazine
11. Keeneland's Proposed 2021 Spring Race Meet Officials and Date Preference System
12. Churchill Downs' Proposed 2021 Spring Race Meet Officials and Date Preference System
13. Proposed Emergency Amendments to 810 KAR 2:001, 810 KAR 3:001, 810 KAR 4:001, 810 KAR 5:001, 810 KAR 6:001, 810 KAR 6:010 and 810 KAR 6:030
14. Proposed Amendments to 810 KAR 2:001, 810 KAR 3:001, 810 KAR 4:001, 810 KAR 5:001, 810 KAR 6:001, 810 KAR 6:010, 810 KAR 6:020 and 810 KAR 6:030
15. Conditions to Conduct Historical Horse Racing for 2021
16. Proposed classification process for Historical Horse Racing administrative requests
17. Reports
  - a. Thoroughbred Rulings
  - b. Standardbred Rulings
  - c. Veterinary Division
  - d. Pari-Mutuel Wagering Division

### III. Executive Session

During the meeting on February 16, 2021, the Commission will go into closed session pursuant to KRS 61.810(1)(C) to discuss pending litigation

### IV. Other Business

### V. Adjournment

**KENTUCKY HORSE RACING COMMISSION**  
**MINUTES OF THE MEETING**

Date: December 8, 2020 at 1:30 PM

Place: Via video conference from Kentucky Horse Racing Commission, Conference Room, 4063 Iron Works Parkway, Building B, Kentucky Horse Park, Lexington, Kentucky

Members Present: Chairman Jonathan Rabinowitz; Vice-Chairman Frank Jones, Jr.; Commissioner J. Gatewood Bell, Jr.; Commissioner Kerry T. Cauthen; Commissioner Naveed Chowhan, M.D.; Commissioner Douglas A. Hendrickson; Commissioner Kenneth A. Jackson; Commissioner Franklin S. Kling, Jr.; Commissioner Alan J. Leavitt; Commissioner Foster Northrop, DVM; Commissioner Charles O’Connor; Commissioner Tom Riddle, DVM; Commissioner Mark Simendinger; and Commissioner James Edwin Worley

Ex-officio Members Present: Secretary Kerry B. Harvey, Public Protection Cabinet; Charles Rowland, Executive Legal Advisor, on behalf of Interim Secretary Larry Hayes, Cabinet for Economic Development

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; Jennifer Wolsing, General Counsel; Chad Thompson, Deputy General Counsel; Bruce Howard, DVM, Equine Medical Director; Nicholas Smith, DVM, Chief Racing Veterinarian; Barbara Borden, Chief State Steward; Waqas Ahmed, Director, Pari-mutuel Wagering and Compliance; Susan Nash, Executive Administrative Secretary

Others Participating: Mr. Richard Riedel, Executive Director, Kentucky Racing Health & Welfare Fund

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
<b>I. Call to Order and Roll Call</b>	4 – 5	Chairman Rabinowitz called the meeting of the Kentucky Horse Racing Commission (KHRC) to order and performed the roll call. A quorum was recognized.	No action taken.
<b>II. New Business Tab 1 Minutes from October 20, 2020</b>	5 – 45 5 – 7	Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the proposed minutes of the KHRC meeting of October 20, 2020. Motion by Commissioner Bell. Second by Commissioner Northrop.	Chairman Rabinowitz called for a vote to approve the proposed minutes of the October 20, 2020 KHRC meeting

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		<p>Ms. Eads presented the proposed minutes as set out in the agenda materials. Commissioner Simendinger noted incorrect references to the “Race Dates” Committee in Tab 8 and requested the proposed minutes be amended to correctly reference the “Rules” Committee.</p> <p>Approval of the proposed minutes, as amended, was recommended by KHRC staff.</p>	<p>as amended as referenced by Commissioner Simendinger. Motion carried with no abstentions or objections.</p>
<p><b>Tab 2 2021 Meeting Schedule and Calendar</b></p>	<p>7 – 8</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the proposed KHRC meeting dates and calendar for 2021. Motion by Vice-Chairman Jones. Second by Commissioner O’Connor.</p> <p>Ms. Nash presented the KHRC staff’s request as outlined in the agenda materials.</p> <p>Approval of the 2021 meeting schedule and calendar was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the KHRC meeting dates for 2021 as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 3 2021 Kentucky Sire Stakes Purse Distributions, Stallion Bonus Program and Race Dates</b></p>	<p>8 – 11</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request of the Kentucky Standardbred Development Fund/Kentucky Standardbred Breeders Incentive Fund Advisory Panel (Advisory Panel) to approve the proposed 2021 Kentucky Sire Stakes and Kentucky County Fair’s distribution, stallion bonus program, and related market expenditures. Motion by Commissioner Worley. Second by Commissioner Leavitt.</p> <p>Ms. Eads presented the Advisory Panel’s request as outlined in the agenda materials. At its September 23, 2020 meeting, the Advisory Panel approved the proposed recommendation as presented.</p> <p>Approval of the Advisory Panel’s recommendation was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the recommendations of the Kentucky Standardbred Development Fund/Kentucky Standardbred Breeders Incentive Fund advisory panel’s proposed 2021 Kentucky Sire Stakes and the Kentucky County Fair’s purse distribution, stallion bonus program</p>

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
			and related marketing expenditures up to \$150,000, all as presented. Motion carried with no objections or abstentions.
<p><b>Tab 4 Kentucky County Fairs: Release of Uncashed Ticket Money for Purse Distributions</b></p>	11 – 12	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the KHRC staff to approve the transfer of the fiscal year 2020 standardbred unclaimed pari-mutuel ticket fund to the Kentucky County Fairs for distribution as 2021 harness racing purses. Motion by Commissioner Hendrickson. Second by Commissioner Northrop.</p> <p>Ms. Eads presented the KHRC staff’s recommendation as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the transfer of approximately \$50,000 from the 2020 standardbred unclaimed pari-mutuel ticket fund to the Kentucky county fairs for distribution as 2021 harness racing purses as required by KRS 230.398. Motion carried with no objections or abstentions.</p>
<p><b>Tab 5 Transfer of Funds to the Kentucky Racing Health &amp; Welfare Fund</b></p>	13 – 16	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by Kentucky Racing Health &amp; Welfare Fund (KRHWF) to approve transfer of fiscal year 2020 thoroughbred unclaimed pari-mutuel ticket fund to the KRHWF. Motion by Vice-Chairman Jones. Second by Commissioner Northrop.</p> <p>Ms. Eads presented the KRHWF’s request dated October 26, 2020 as outlined in the agenda materials.</p>	<p>Chairman Rabinowitz called for a vote to approve the transfer of approximately \$1,968,447, less any claims in advertising from the fiscal 2020 thoroughbred unclaimed pari-mutuel ticket fund</p>

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	14 – 15	<p>Mr. Riedel addressed the Commission members.</p> <p>Approval of the KRHWF’s request was recommended by KHRC staff.</p>	<p>to the KRHWF as required by KRS 230.374. Motion carried with no objections or abstentions.</p>
<p><b>Tab 6 Requested Approval of Advance Deposit Account Wagering Licenses for 2021</b></p>	16 – 18	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the 2021 Renewal License Applications to Conduct Advance Deposit Account Wagering. Motion by Commissioner Simendinger. Second by Commissioner O’Connor.</p> <p>Mr. Ahmed presented the KHRC staff’s request as outlined in the agenda materials.</p> <p>Approval of all the ADW license applications for calendar year 2021 was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve 2021 Renewal License Applications to Conduct Advance Deposit Account Wagering submitted by AmWest Entertainment, LLC, eBet Technologies, Inc., Lien Games Racing, LLC, NYRA Bets, LLC, ODS Technologies LP d/b/a TVG Network, Churchill Downs Technology Initiatives Company d/b/a Twin Spires, WatchandWager.com, LLC, and Xpressbet, LLC as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 7 Requested Approval of Totalizator Licenses for 2021</b></p>	18 – 20	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the 2021 Renewal License Applications to Provide Totalizator Services.</p>	<p>Chairman Rabinowitz called for a vote to approve the 2021 Renewal License</p>

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		<p>Motion by Commissioner Kling. Second by Commissioner Simendinger.</p> <p>Mr. Ahmed presented KHRC staff's request as outlined in the agenda materials.</p> <p>Approval of all three (3) totalizator license applications for calendar year 2021 was recommended by KHRC staff.</p>	<p>Applications to Provide Totalizator Services submitted by AmTote International, Inc., Sportech Racing, LLC, and United Tote Company as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 8 Ratification of Executive Director Approval of Oak Grove's Revised 2020 Race Dates</b></p>	<p>20 – 24</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address ratification of the Executive Director's conditional approval of the request submitted by WKY Development, LLC, to amend section R of its 2020 Application for License to Conduct Live Horse Racing, Simulcasting and Pari-mutuel Wagering. Motion by Vice-Chairman Jones. Second by Commissioner O'Connor.</p> <p>Ms. Wolsing presented the request by WKY Development, LLC dated October 22, 2020 as outlined in the agenda materials.</p> <p>Ratification of the Executive Director's conditional approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to ratify the Executive Director's conditional approval of WKY Development LLC d/b/a Oak Grove Racing, Gaming and Hotel to amend section R of its 2020 License Application to Conduct Live Horse Racing, Simulcasting and Pari-mutuel Wagering as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 9 Ratification of Executive Director Approval of Request for Churchill Downs to Convert Noncontiguous Track</b></p>	<p>24 – 27</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the ratification of the Executive Director's conditional approval of the request submitted by Churchill Downs Racetrack, LLC to convert its noncontiguous track extension facility located at</p>	<p>Chairman Rabinowitz called for a vote to ratify the Executive Director's conditional approval of the request submitted by</p>

<b>AGENDA ITEM</b>	<b>TRANSCRIPT PAGE NUMBER(S)</b>	<b>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</b>	<b>ACTION TAKEN</b>
<b>Extension Facility into Simulcast Facility</b>		<p>the Louisville Thoroughbred Society into a simulcast facility. Motion by Commissioner Hendrickson. Second by Commissioner Jackson.</p> <p>Mr. Thompson presented the request by Churchill Downs Racetrack, LLC as outlined in the agenda materials. By letter dated October 21, 2020, the Executive Director conditionally approved the request to ensure the facility's timely opening and operation.</p> <p>Ratification of the Executive Director's conditional approval was recommended by KHRC staff.</p>	<p>Churchill Downs Racetrack, LLC to convert its noncontiguous track facility located at the Louisville Thoroughbred Society into a simulcast facility as presented. Motion carried with no objections or abstentions.</p>
<b>Tab 10 Turfway Park's Request to Modify Race Dates for the 2021 Winter Spring Meet</b>	27 – 30	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by Turfway Park, LLC to amend section R of its 2021 Application for a License to Conduct Live Horse Racing, Simulcasting, and Pari-mutuel Wagering. Motion by Commissioner Simendinger. Second by Commissioner O'Connor.</p> <p>Mr. Thompson presented the request by Turfway Park, LLC dated November 17, 2020 as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve Turfway Park, LLC's request to amend section R of its 2021 Application for a License to Conduct Live Horse Racing, Simulcasting, and Pari-mutuel Wagering as presented. Motion carried with no objections or abstentions.</p>

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<p><b>Tab 11 Proposed Amendments to 811 KAR 2:120</b></p>	<p>30 – 34</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by KHRC staff to approve the proposed amendments to 811 KAR 2:120 regarding the Kentucky Horse Breeders’ Incentive Fund (KHBIF). Motion by Commissioner Kling. Second by Commissioner Cauthen.</p> <p>Ms. Wolsing presented the request by KHRC staff as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC.</p>	<p>Chairman Rabinowitz called for a vote to approve the proposed amendments to 811 KAR 2:120 as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 12 Proposed Withdrawal Requirements for Administration of Clenbuterol</b></p>	<p>34 – 44 34 – 36</p> <p>36 – 38</p> <p>38 – 40</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation request submitted by the Equine Drug Research Council (EDRC) to amend 810 KAR 8:010, 810 KAR 8:020, and 810 KAR 8:040 regarding the KHRC’s regulatory treatment of Clenbuterol. Motion by Commissioner Bell. Second by Commissioner O’Connor.</p> <p>Ms. Wolsing presented the recommendation request approved by the EDRC at its December 1, 2020 meeting, as outlined in the agenda materials.</p> <p>Approval was recommended by KHRC staff.</p> <p>Commissioner Leavitt addressed the Commission in opposition to the proposed amendments as related to harness racing.</p> <p>Commissioner Northrop addressed the Commission in support of the proposed amendments.</p>	<p>Chairman Rabinowitz called for a vote to approve the Commission’s staff proposed amendments to 810 KAR 8:010, 810 KAR 8:020, and 810 KAR 8:040 as presented. Motion carried with one objection by Commissioner Leavitt and no abstentions.</p>



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	40 – 41  41 – 42  42  43	Commissioner Jackson addressed the Commission in support of the proposed amendments.  Commissioner Cauthen addressed the Commission in support of the proposed amendments.  Commissioner Leavitt reiterated his opposition to the proposed amendments.  Dr. Howard addressed the Commission in support of the proposed amendments.	
N/A	44 – 45	Secretary Harvey noted his arrival at the meeting.	No action taken. Informational only.
<b>Tab 13 Reports</b> <b>a. Thoroughbred Rulings</b>  <b>b. Standardbred Rulings</b>  <b>c. Veterinary Division Report</b>  <b>d. Pari-Mutuel Wagering Division Report</b>  <b>e. Litigation and Regulations</b>	45 – 50 45  45 – 46  46 – 48  48 – 50  50	a. Ms. Borden presented the thoroughbred rulings reports as outlined in the agenda materials.  b. Mr. Guilfoil presented the Standardbred rulings report as outlined in the agenda materials.  c. Drs. Smith and Howard presented the veterinary division reports as outlined in the agenda materials.  d. Mr. Ahmed presented the pari-mutuel wagering division report as outlined in the agenda materials.  e. Litigation and Regulation report is for informational purposes only.	No action taken. Informational items only.

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<p><b>III. Executive Session</b>  <b>During the meeting on December 8, 2020, the Commission will go into closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation</b></p>	<p>50 – 52  50 – 51   51 – 52</p>	<p>Chairman Rabinowitz requested a motion from the Commission to convene in closed session to discuss proposed or pending litigation against or on behalf of the agency as permitted by KRS Chapter 61.810(1)(c). Motion by Commissioner Chowhan. Second by Commissioner O’Connor.</p> <p style="text-align: center;"><b><u>EXECUTIVE SESSION</u></b></p> <p>Chairman Rabinowitz requested a motion from the Commission to reconvene in open session. Motion by Vice-Chairman Jones. Second by Commissioner Northrop.</p> <p style="text-align: center;"><b><u>RECONVENED TO OPEN SESSION</u></b></p>	<p>Chairman Rabinowitz called for a vote for the Commission to convene in closed session. Motion carried with no objections or abstentions.</p> <p>Chairman Rabinowitz called for a vote for the Commission to reconvene in open session. Motion carried with no objections or abstentions.</p>
<p><b>IV. Adjournment</b></p>	<p>65 – 66</p>	<p>With no other business, Chairman Rabinowitz requested a motion to adjourn the December 8, 2020 meeting. Motion by Commissioner Cauthen. Second by Commissioner O’Connor.</p> <p>Meeting adjourned.</p>	<p>Chairman Rabinowitz called for a vote to adjourn. Motion carried with no objections or abstentions.</p>

**NOTE:** The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.



ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
**ESTABLISHED 1906**  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
**FROM: Jamie H. Eads, Deputy Executive Director, KHRC**  
**DATE: January 26, 2021**  
**SUBJ.: KTDF PURSE STRUCTURE – KEENELAND SPRING MEET**

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On January 26, 2021 the KTDF Advisory Committee considered the following request from Keeneland with its KTDF purse structure for the 2021 Spring Meet.

KHRC staff confirms that at the end of 2020, Keeneland had a surplus of \$126,264. Keeneland is proposing KTDF purses of approximately \$2 million for the 2021 Spring Meet. Projections are based on a payout of 87% of the amount carded, daily earnings of \$12,023 and HHR earnings of \$1,884,430.

Keeneland will pay out KTDF funds through last place and in the event of a dead heat, the KTDF portion will be handled the same as the purse.

The KTDF Advisory Committee recommends approval.

**COMMISSION ACTION:**

- \_\_\_\_\_ Approve
- \_\_\_\_\_ Defer
- \_\_\_\_\_ Deny



January 15, 2021

KTDF Committee of the  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Lexington, KY 40511

Dear Committee Members:

Keeneland has reviewed our KTDF data and would like to offer approximately \$2,061,900 in KTDF money for our upcoming Spring meet.

1. Due to the ongoing COVID-19 situation and declines in on-track and brick-and-mortar handle, we are projecting approximate daily earnings of \$12,023;
2. We have a surplus of \$126,264 following the Fall 2020 race meeting;
3. We are assuming a payout percentage of approximately 87% of the amount carded;
4. We are projecting total KRM and OG earnings of approximately \$1,884,430;
5. We anticipate that KTDF purses will be approximately 32% of the purses for the races that are eligible for KTDF.

We remain committed to offering competitive purses while also prudently managing our KTDF funds available. To that end we will increase our KTDF purse amounts for Spring 2021 with the goal of maintaining a KTDF surplus in the future.

Keeneland will continue to pay out KTDF funds through last place. A table containing the payout percentage by field size is attached. In the event there is a dead heat for finish positions 1 thru 5, the KTDF percentage payout for each position will be aggregated and paid equally to each horse included in the dead heat. If a non-KTDF eligible horse is involved in a dead heat, those funds will revert to the fund.

We will evaluate the earnings and payout percentages several days into our race meet and may need to make adjustments if our actual earnings and payout percentages are significantly different from our assumptions.

Please contact me if you have any questions or need additional information.

Sincerely,

Vince Gabbert

JAN 22 2021

KENTUCKY HORSE  
RACING COMMISSION

**Keeneland KTDF Split Structure**

Finish	# Starters										
	5	6	7	8	9	10	11	12	13	14	
1st	62.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
2nd	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3rd	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4th	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5th	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
6th		2.00%	1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%	
7th			1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%	
8th				0.66%	0.50%	0.40%	0.33%	0.29%	0.25%	0.22%	
9th					0.50%	0.40%	0.33%	0.29%	0.25%	0.22%	
10th						0.40%	0.33%	0.28%	0.25%	0.22%	
11th							0.33%	0.28%	0.25%	0.22%	
12th								0.28%	0.25%	0.22%	
13th									0.25%	0.22%	
14th										0.22%	
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

JAN 22 2021

KENTUCKY HORSE  
RACING COMMISSION

**Fall 2020**

All-Sources Handle	148,229,708
On-Track Handle	2,477,890
Average Starters	8.1
Total Purses	11,599,505
Total Attendance	15,351
Average Attendance	903

**Breeders' Cup 2020**

All-Sources Handle	160,472,901
On-Track Handle	3,391,662
Average Starters	12.1
Total Purses	26,830,000

**Keeneland Select**

	2020	2019	Variance
October	5,189,352	3,825,957	1,363,395
November	4,523,428	3,339,129	1,184,299
December	2,917,755	2,009,922	907,834
TOTAL	12,630,536	9,175,008	3,455,528

**HHR Q4**

	2020	2019	Variance
KRM Handle	124,529,904	120,363,306	4,166,598
OG Handle	167,601,268	-	167,601,268
TOTAL	292,131,172	120,363,306	171,767,866

**Simulcasting Handle**

	2020	2019	Variance
October	2,048,942	1,766,302	282,640
November	1,540,125	2,842,970	(1,302,846) ***
December	1,162,130	1,792,617	(630,486)
TOTAL	4,751,197	6,401,889	(1,650,692)

\*\*\* Simulcasting closed 11/21 - 11/26 due to COVID

JAN 22 2021

KENTUCKY HORSE  
RACING COMMISSION



ANDY BESHEAR  
GOVERNOR

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SECRETARY

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4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
**FROM: Jamie H. Eads, Deputy Executive Director, KHRC**  
**DATE: January 26, 2021**  
**SUBJ.: KTDF PURSE STRUCTURE – CHURCHILL DOWNS’ SPRING MEET**

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On January 26, 2021 the KTDF Advisory Committee considered the following request from Churchill Downs with its KTDF purse structure for the 2021 Spring Meet.

KHRC staff confirms that at the end of 2020, Churchill Downs had a surplus of \$2,848.45. Churchill Downs is proposing KTDF purses in the range of \$4.3 million to \$4.9 million for the 2021 Spring Meet. Projections are based on a payout of 86.5% of the amount carded, daily earnings of \$126,704.

Churchill Downs will pay out KTDF funds through last place and in the event of a dead heat, the KTDF portion will be handled the same as the purse.

The KTDF Advisory Committee recommends approval.

**COMMISSION ACTION:**

\_\_\_\_\_ Approve  
\_\_\_\_\_ Defer  
\_\_\_\_\_ Deny





## CHURCHILL DOWNS

January 22, 2021

KTDF Advisory Committee of the  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Building B  
Lexington, Kentucky 40511

**Committee Members:**

Churchill Downs has reviewed our purses and would like to card KTDF purses in the range of \$4.3 million to \$4.9 million for our upcoming Spring Meet. We have based the range on the following information:

1. At the end of December 2020, Churchill Downs had a surplus balance of \$2,848.45.
2. Our 2021 Spring Meet will consist of 38 racing days beginning on Saturday, April 24th through Saturday, June 26th. We are projecting daily earnings of \$126,704 which is \$88,677 or +233% higher than \$38,027 earned in 2020. The primary driver is the KTDF earned from pari-mutuel wagering from Derby City Gaming LLC ("Derby City") from the beginning of January 2021 through the end of the Spring Meet and the expectation of limited attendance during the Meet.
3. For Spring 2021, we are assuming a KTDF payout percentage of 86.5% with anticipated KTDF disbursements of \$4.3 million which is \$1.9 million higher than the \$2.4 million paid during the Spring 2020 Meet. The primary driver of the increase is the estimated pari-mutuel wagering from Derby City, 11 more days of racing this year, and the expectation of attendees for the entire Meet.
4. To encourage participation during the Spring Meet, we are again planning to pay KTDF purses from first to last to all eligible horses.

Please contact either of us should you have any questions or need additional information.

Sincerely,

Ben Huffman  
Vice President, Racing & Racing Secretary

Thomas Minneci  
Vice President, Finance

JAN 22 2021

KENTUCKY HORSE  
RACING COMMISSION





# CHURCHILL DOWNS

January 22, 2021

KTDF Advisory Committee of the Kentucky Horse Racing Commission  
 4063 Iron Works Parkway  
 Building B  
 Lexington, Kentucky 40511

**Committee Members:**

The following information will be included in Churchill Downs' 2021 Spring Condition Book related to the Kentucky Thoroughbred Development Fund (KTDF).

**CHURCHILL DOWNS RACE TRACK  
 KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)  
 ALLOCATION OF FUND BASED ON NUMBER OF STARTERS AND FINISH**

For those horses that are registered and eligible according to the condition listed above, fund monies will be divided as follows: 60% to the winner, 20% to the second, 10% to the third, 5% to the fourth, 3% to the fifth and the remaining 2% to be allocated among sixth through last based on the schedule below.

Finish	Number of Starters									
	5	6	7	8	9	10	11	12	13	14
1st	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
2nd	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
3rd	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
4th	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5th	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
6th		2.00%	1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%
7th			1.00%	0.67%	0.50%	0.40%	0.34%	0.29%	0.25%	0.23%
8th				0.66%	0.50%	0.40%	0.33%	0.29%	0.25%	0.22%
9th					0.50%	0.40%	0.33%	0.29%	0.25%	0.22%
10th						0.40%	0.33%	0.28%	0.25%	0.22%
11th							0.33%	0.28%	0.25%	0.22%
12th								0.28%	0.25%	0.22%
13th									0.25%	0.22%
14th										0.22%
<b>Total</b>	<b>98.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Example:**

Date	Race	# of Starters	KTDF Offered
6/25/2017	10	11	\$7,400.00

KTDF:	Finish										
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th
Eligible	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Payout	\$4,440.00	\$1,480.00	\$740.00	\$370.00	\$222.00	\$25.16	\$25.16	\$0.00	\$24.42	\$24.42	\$24.42
<b>KTDF Reverts</b>	<b>\$24.42</b>										

**JAN 22 2021**



# CHURCHILL DOWNS

Example: Dead Heat for 2nd between an eligible and non-eligible horse using the above example.

	<u>2nd</u>	<u>3rd</u>	<u>Total</u>	
KTDF:				
Payout	\$1,480.00	\$740.00	\$2,220.00	---> Eligible horse would receive 50% of the Total for 2nd and 3rd pla
	<u>KTDF</u>	<u>KTDF</u>		
	<u>Payout</u>	<u>Reverts</u>		
	\$1,110.00	\$1,110.00		

## THE KENTUCKY THOROUGHBRED DEVELOPMENT FUND (KTDF)

Given the robust business during calendar year 2019 and the pandemic impacted 2020, the state-of-the-art historical racing machines at nearby Derby City Gaming has generated \$15.3 million in KTDF for horsemen with Kentucky-sired Kentucky-breds to run for in designated stakes, handicap, allowance, non-claiming maiden races, and allowance optional claiming races with a claiming price of not less than twenty-five thousand dollars (\$25,000) contested at Churchill Downs Racetrack.

Eligible races can be readily recognized in the stakes and condition books by the Kentucky Thoroughbred Development Fund seal, which will appear next to each race in the stakes and condition books.

In accordance with KRS 230.400(5) (d), it is mandatory for a horse to be registered prior to time of entry to be eligible to participate in the distribution of Kentucky Thoroughbred Development Fund monies. Registration is only complete once the application is approved and payment has been received.

All horses of racing age that are both Kentucky-bred and sired by a Kentucky stallion which stood in Kentucky the entire breeding season the year the horse was conceived are eligible to be registered. Owners of horses of racing age are responsible for registering their horses. Stallion owners are responsible for registering their stallions.

Registration applications may be obtained from the official registrar, the Kentucky Thoroughbred Owners and Breeders, by contacting:

**Mrs. Jenny McGaughey, Registrar**  
Kentucky Thoroughbred Owners and Breeders  
4079 Iron Works Parkway  
Lexington, Kentucky 40511  
Phone: 859-259-1643  
Mobile: 859-361-6002

Registration may be completed online at [www.kta-ktob.com](http://www.kta-ktob.com). The Horse Identifier can check registration status of a horse.

For those horses that are registered and eligible according to the conditions listed above, fund monies will be divided as follows:

- 60%.....to the winner
- 20%.....to second
- 10%.....to third
- 5%.....to fourth
- 3%.....to fifth

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Remaining 2% divided among the starters based on the schedule listed above.

Unearned fund monies revert to the Kentucky Thoroughbred Development Fund. Additionally, if a non-KTDF eligible horse is involved in a dead heat, those funds will revert to the fund.

PLEASE NOTE: ALL KTDF PURSE ALLOTMENTS CONTAINED HEREIN ARE SUBJECT TO KHRC APPROVAL.

If you have any questions or need additional information, please reach out to me or Ben Huffman.

Sincerely,

Thomas Minneci  
Vice President, Finance  
Churchill Downs Race Track  
700 Central Avenue  
Louisville, KY 40208  
Office: 502-638-3845  
Cell: 502-424-9372  
[tom.minneci@kyderby.com](mailto:tom.minneci@kyderby.com)

Ben Huffman  
Vice President, Racing & Racing Secretary  
Churchill Downs Race Track  
700 Central Avenue  
Louisville, KY 40208  
Office: 502-638-3820  
Fax: 800-928-3372  
[ben.huffman@kyderby.com](mailto:ben.huffman@kyderby.com)



JAN 22 2021

KENTUCKY HORSE  
RACING COMMISSION



ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: COMMISSION MEMBERS**  
**FROM: Jamie H. Eads, Deputy Executive Director, KHRC**  
**DATE: January 29, 2021**  
**SUBJ.: BACKSIDE IMPROVEMENT FUND: CHURCHILL DOWNS RACETRACK**

On January 29, 2021, the KHRC received the following two Backside Improvement Fund requests from Churchill Downs Racetrack.

1. Install security cameras along Longfield Avenue and 4<sup>th</sup> Street. Estimated cost: \$200,000
2. Install 21 wall heaters and 9 floor heaters in the barns on Popular Road. Estimated cost: \$50,000

KHRC staff confirms the projects meet the statutory requirements of KRS 230.3615 and 810 KAR 7:010 and the funding is available. KHRC staff will inspect the areas again once the projects are complete. All invoices, photographs and communication will remain on file for Commission review.

Staff recommends approval.

**COMMISSION ACTION:**

\_\_\_\_\_ Approve

\_\_\_\_\_ Defer

\_\_\_\_\_ Deny





January 29, 2021

Marc A. Guilfoil - Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
[Marc.Guilfoil@ky.gov](mailto:Marc.Guilfoil@ky.gov)  
(859) 246-2040

Re: **Application for Approval of Backside Improvement Fund Project**

Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to install security cameras at Churchill Downs Racetrack to ensure the safety of our horsemen and horses and contribute to greater integrity of our races. The cameras will be located along Longfield Avenue and 4th Street. The design includes the addition of (6) 12' tall camera poles spaced approximately 480' apart. Each camera pole will contain the following:

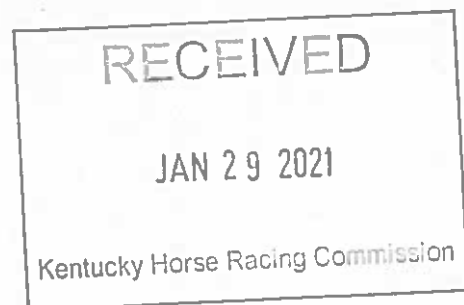
- (2) Samsung PNB-A9001 fixed cameras containing an SLA-T-M1250DN lens mounted in a weatherproof camera housing.
- Samsung XNP-6320RH PTZ camera.
- 150 Watt LED light.
- SIGNAMAX 4 port Industrial POE switch with a power supply and SFP SM/LC module.
- Outdoor rated weatherproof heated enclosure with thermostatically controlled fan for warmer temperatures.

We have obtained the attached bid from Delta Services who is our preferred vendor for this work. We are requesting up to \$200,000 to complete this work.

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,

Mike Ziegler  
General Manager & Senior Vice President  
Churchill Downs Racetrack  
700 Central Ave.  
Louisville, KY 40208  
Office: (502) 394-1137





4676 Jennings Lane

Louisville, KY 40218

All Information contained herein is deemed to be Company Confidential

*Industrial*

*Providing Quality Communication Installations*

*Commercial*

*Fire / Safety*

*Communications*

October 29, 2020

Mike Wood  
Churchill Downs  
700 Central Avenue  
Louisville, KY 40208

RE: Longfield Avenue Camera Proposal

Dear Mike:

Delta Services is pleased to offer a quote for the addition of cameras along Longfield Avenue and 4<sup>th</sup> Street. Our design includes the addition of (6) 12' tall camera poles spaced approximately 480' apart. Each camera pole will contain the following.

- (2) Samsung PNB-A9001 fixed cameras containing an SLA-T-M1250DN lens mounted in a weatherproof camera housing.
- (1) Samsung XNP-6320RH PTZ camera.
- (1) 150 Watt LED light.
- (1) SIGNAMAX 4 port Industrial POE switch with a power supply and SFP SM/LC module.
- (1) Outdoor rated weatherproof heated enclosure with thermostatically controlled fan for warmer temperatures.

We will run (2) separate 2" conduits to each pole location for the optical fiber cabling and 120 volt power to each camera pole. The conduits will originate from the Longfield Avenue guard shack. There will be a 24"x24" Quartzite box at each camera pole along with another at the guard shack. All underground conduits pathways will be located to ensure there will not be any accidental utility strikes. We will plant grass to return it to its original state.

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***24 Hour Emergency Service***  
FAX 502-491-2995 TELEPHONE : 502-491-2202



4676 Jennings Lane

Louisville, KY 40218

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*Providing Quality Communication Installations*

*Commercial*

*Fire / Safety*

*Communications*

An additional 24 strand single mode optical fiber cabling will be brought to the Longfield Avenue guard shack from the Pump House IDF located in the White Lot. We will install a new Corning four panel wall mount enclosure inside the guard shack for the new fiber. We will install a 6 strand SM optical fiber cable from the Longfield Ave. guard shack to each individual camera pole location. All fiber will be terminated LC then labeled, tested, and certified.

We will use the (3) spare 120 volt circuits currently available in the guard shack for power to the lights and power supplies at each camera pole. The circuit conductors will be #8 AWG to prevent circuit voltage drop.

All the new cameras will be placed into Genetec and the fixed cameras will be adjusted to your liking.

**Total Price \$ 197,994.10**

If you have any questions, please feel free to contact me at (502) 386-4621.

Best regards,

Mike Mrkacek  
4676 Jennings Lane  
Louisville, KY 40218  
(502) 386-4621  
[mmrkacek@deltaservicesllc.com](mailto:mmrkacek@deltaservicesllc.com)

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***24 Hour Emergency Service***  
**FAX 502-491-2995 TELEPHONE : 502-491-2202**



4676 Jennings Lane

Louisville, KY 40218

All Information contained herein is deemed to be Company Confidential

Industrial Commercial Fire / Safety Communications
Providing Quality Communication Installations

The Customer (identified by company name on an invoice, acknowledgement ticket, purchase order, rate sheet or other hard copy or electronic correspondence) agrees and authorizes DELTA SERVICES, LLC, to perform service work, consulting, and provide goods and materials, whether or not described herein (the "Work") under the following Standard Terms and Conditions, which are expressly made a part of the agreement between Customer and DELTA SERVICES (the "Agreement"), without liability for interruption of service, or incidental, special, or consequential damages:

- 1. TERMS OF AGREEMENT - The Agreement between Customer and DELTA SERVICES shall consist of these terms and conditions and any specifications, drawings, samples, or other written terms and conditions which are specifically incorporated in the Agreement...
2. PAYMENT - Payment on all orders shall be and is hereby due within thirty (30) days after date of invoice...
3. QUOTATIONS - All quotations, if any, are made for prompt acceptance and any term quoted therein is subject to change without notice...
4. CANCELLATION - Purchase orders once placed can be canceled only with DELTA SERVICES written consent...
5. MODIFICATIONS - DELTA SERVICES reserves the right to change or modify the design and construction of any products or the procedures and methods for any of its services...
6. WARRANTY - (A) Any manufacturers' warranties, if any, shall pass through to Customer to the extent permitted by law...
7. TIME OF PERFORMANCE - Promises of delivery of products or performance of services are given as accurately as conditions permit...
8. FAILURE TO DELIVER - DELTA SERVICES shall not be liable for failure or delay in delivery services or products due to acts of God, war, civil commotion, labor disputes and strikes...
9. TRANSPORTATION COSTS - Unless otherwise specified in DELTA SERVICES invoice, Customer shall pay all transportation charges for products of or sold by DELTA SERVICES...
10. RISK OF LOSS - Unless otherwise expressly agreed by DELTA SERVICES in writing, title and risk of loss, injury, or destruction shall pass to Customer at point of origin of the statement...
11. CUSTOMER INDEMNIFICATION OF DELTA SERVICES - Customer agrees to indemnify, defend and hold DELTA SERVICES harmless from and against all claims, demands, actions whether civil or administrative, liability, fines, penalties and expense...
12. NONCONFORMING GOODS OR SERVICES - Customer shall notify DELTA SERVICES in writing of any alleged nonconformity of goods and/or services tendered by DELTA SERVICES under this Agreement within ten (10) days after receipt of the goods or services or within five (5) days after the alleged nonconformity could have been reasonably discovered...

LIMITATION OF LIABILITY - The liability of DELTA SERVICES, its agents, employees, subcontractors and suppliers with respect to any and all claims arising out of the performance or non-performance of DELTA SERVICES obligations in connection with the design, manufacture, sale, delivery, storage, installation and/or use of the products sold under the Agreement, or the rendition of services hereunder, whether based on warranty, contract, negligence, strict liability or otherwise, shall not exceed, in the aggregate, the net purchase price (excluding taxes and freight) for such products or services, and shall in no event include damages for loss of profits or revenue, loss by reason of plant shut-down; increased expense of operation of plant or equipment; increased cost of purchasing or providing equipment, materials,

24 Hour Emergency Service
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January 29, 2021

Marc A. Guilfoil - Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
[Marc.Guilfoil@ky.gov](mailto:Marc.Guilfoil@ky.gov)  
(859) 246-2040

Re: **Application for Approval of Backside Improvement Fund Project**

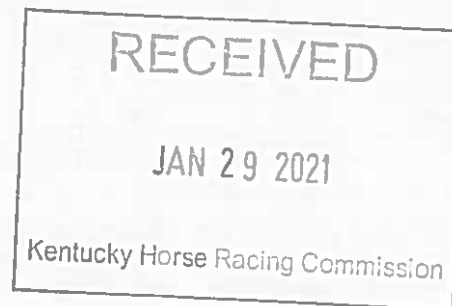
Dear Marc,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds to install twenty-one (21) 2500 BTU wall heaters and nine (9) BRU floor heaters at 4520 Poplar Level Road. We have obtained the attached bid from Hussung Mechanical Contractors (HMC) to complete the work and we are requesting up to \$50,000. I've attached the quote from HMC.

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,

Mike Ziegler  
General Manager & Senior Vice President  
Churchill Downs Racetrack  
700 Central Ave.  
Louisville, KY 40208  
Office: (502) 394-1137





Hussung Mechanical Contractors, Inc.

PLUMBING  
HVAC  
BUILDING  
AUTOMATION  
PROCESS PIPING

6913 Enterprise Drive • Louisville, Kentucky 40214 • (502) 375-3500 • Fax (502) 375-0028

January 28, 2021

Churchill Downs Racetrack  
700 Central Avenue  
Louisville, KY 40208  
Attn: Mike Keeling and Nick Cravens

Re: Bid Document Attached

Mike and Nick:

Attached is a cost spreadsheet for 21 Cozy 2500 BTU Wall Heaters in the amount of \$34,973.35. Also attached is a cost spreadsheet for 9 Cozy 2500 BRU Floor Heaters in the amount of \$12,391.44 . The total cost for all the units is \$47,364.79.

Sincerely,

*Imogene Cravenstretex*

Hussung Mechanical Contractors, Inc.

6913 Enterprise Drive

Louisville, KY 40214

Accounts Receivable

Trackside Tack Room Heaters to replace:

Barn A: Tack Rooms

( C )-wall unit (E) -floor unit (I)-floor unit

(M)-wall unit (P)-wall unit

Barn B: Tack Rooms

(A)-wall unit (B)-wall unit (C) -wall unit

(D)-wall unit (P)-wall unit

Barn C: Tack Rooms

(B)-floor unit (C)-floor unit (H)- floor unit

(P)-wall unit (O)-wall unit (M)-wall unit

Barn D: Tack Rooms

(A)-wall unit (B)-wall unit (F)-floor unit

(H)-wall unit

Barn E: Tack Rooms

(B)-wall unit (D)-wall unit (E)-floor unit

(L)-floor unit (P)-wall unit

Barn F: Tack Rooms

(E)-floor unit (N)-wall unit (P)-wall unit

Barn M: Tack Rooms

(H)-wall unit (G)-wall unit

Total

21-wall units

9-floor units

Trackside Tack Room Heaters

NAME	HOURS W.E.	11/21	HOURS W.E.	12/13/20	HOURS W.E.	12/20/20	HOURS W.E.	12/27/20	HOURS W.E.	12/30/2020	TOTAL HOURS	HOURLY RATE	AMOUNT	TRUCK CHARGE PER HOUR	OVERHEAD	PROFIT	TOTAL
Pattick Craven	Regular	27.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.0	68.41	1,847.07	180.00	203.61	335.95	2,575.63
	Overtime	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.29	0.00	0.00	0.00	0.00	0.00
	Premium	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	114.66	0.00	0.00	0.00	0.00	0.00
<b>TOTAL LABOR</b>		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		1,947.07	189.00	203.61	335.95	2,575.63
<b>Material</b>																	
COZY 2500 BTU																	
Floor Heater	Qty. 8	5785.07															
Kentucky Sales Tax	Qty. 9	\$47.10															
Misc. Material	Qty. 8	\$30.00															
<b>TOTAL MATERIAL</b>													7,759.53		775.95	1,280.32	9,815.61
<b>Total</b>													9,606.60		879.56	1,616.27	12,391.44

Trackside Tack Room Heaters

NAME	HOURS W.E.	12/13/20	HOURS W.E.	12/20/20	HOURS W.E.	12/27/20	HOURS W.E.	12/02/20	TOTAL HOURS	HOURLY RATE	AMOUNT	TRUCK CHARGE PER HOUR	OVERHEAD	PROFIT	TOTAL
Patrick Craven	63.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	63.0	85.41	4,309.83	441.00	475.08	763.69	6,009.80
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.29	0.00	0.00	0.00	0.00	0.00
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	114.96	0.00	0.00	0.00	0.00	0.00
<b>TOTAL LABOR</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		4,309.83	441.00	475.08	763.69	6,009.80
Material															
COZY 2500 BTU															
Wall Heaters	\$1,000.28	each									21,006.09		2,100.81	3,468.00	26,572.70
Kentucky Sales Tax	\$80.00	each									1,260.00		128.00	207.90	1,593.90
Misc. Material	\$30.00	each									630.00		63.00	103.95	796.95
											0.00		0.00	0.00	0.00
											0.00		0.00	0.00	0.00
											0.00		0.00	0.00	0.00
<b>TOTAL MATERIAL</b>											1,990.00		2,289.61	3,777.85	28,963.55
<b>Total</b>											6,199.83		2,764.69	4,581.74	34,973.35

..0..CA

34,973.35  
12,391.44  
47,364.79



ANDY BESHEAR  
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CHAIRMAN

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EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
From: Jamie H. Eads, Deputy Executive Director,  
Director, Division of Incentives & Development  
Date: February 5, 2021  
**Subject: Kentucky Horse Breeders’ Incentive Fund: Period VI applications**

Proposed amendments to 811 KAR 2: 120 passed at the December 8, 2020 Commission meeting. Those proposed amendments were subsequently filed with the Legislative Research Commission on January 5, 2021. On January 13, 2021, the Administrative Regulation Review Subcommittee considered and approved the proposed amendments. The proposed amendments are now awaiting consideration from the Licensing and Occupations Committee. If passed, it is anticipated the amendments will be effective by summer 2021—including a new application process that begins November 2021.

Until then, the regulation is effective in its current form, and the affiliates are required to apply for participation in the Kentucky Horse Breeders’ Incentive Fund. KHRC received eleven applications and I have provided a review of each application following this memorandum. The KHBIF Advisory Committee has considered the applications and, along with staff, recommends approval.

**COMMISSION ACTION**

\_\_\_\_\_ Approve  
\_\_\_\_\_ Deny  
\_\_\_\_\_ Defer



PVI ('20-'22) Non-Race Application Materials Checklist

Applicant	HB-1 Form	Award Distribution Plan	Reported # of horses in KY under 25 Yrs	Award plan benefits? Per KRS 203.804: breeders and owners	Name of National Breed Organization & letter confirmed:	Bred & Foaled per KRS 230.804	Scoring body:
KY Appaloosa Owners Association	yes	Yes	2,349	owner receives award; stallion owner 10% from offspring wins	Appaloosa Horse Club	Stallion stands in KY; mare foals in KY	shows approved by ApHC; trails by self report or timed event
KY Arabian & Half Arabian Breeders Alliance	Yes	yes	3,230	member who nominated the horse; 10% to stallion nominator; 10% to mare nominator 10% to the registered breeder.	Arabian Horse Association	mares bred & foal in KY	AHA approved shows; KAFHS shows
KMSHA of KY Inc.	Yes	Yes	7,163	100% to owners	Kentucky Mountain Saddle Horse	mares bred and foaled in KY	KMSHA
KY Miniature Horse Breeders Club	Yes	Yes	5164	10% to stallion owner; 10% to breeder or foal nominator; 80% to owner of foal	American Miniature Horse Association (AMHA)	Foals must be conceived & foaled in KY. Stallion must stand entire season in state; mare instate 45 days around foaling.	AMHA sanctioned shows judged by AMHA
Mountain Pleasure Horse Association	Yes	Yes	1,153	10% to sire; 10% to dam; 80% to participating horse owner	Mountain Pleasure Horse Association	Stallion stands in KY; mare foals in KY	MPHA; Equine Trail Sport Events



PVI ('20-'22) Non-Race Application Materials Checklist

Applicant	HB-1 Form	Award Distribution Plan	Reported # of horses in KY under 25 Yrs	Award plan benefits? Per KRS 203.804: breeders and owners	Name of National Breed Organization & letter confirmed:	Bred & Foaled per KRS 230.804	Scoring body:
KY Paint Horse Club	Yes	Yes	8,828	70% to owner, 15% to breeder; 15% to stallion owner	American Paint Horse Association	Stallion stands in KY; mare foals in KY	Rule book of APHA
KY Quarter Horse Association	Yes	Yes	29,998	70% to owner; 15% to breeder; 15% to stallion owner	American Quarter Horse Association	Stallion stands in KY; mare foals in KY	AQHA
Rocky Mountain Horse Kentucky Breeders Incentive Affiliate, Inc.	Yes	Yes	6,117	80% to foal owner; 10% to stallion owner; 10% to mare owner	Rocky Mountain Horse Association	Mare bred to stallion standing in KY	RMHA Rule Book; Trail = ETS, EXCA, AOC, CTC
KY Saddlebred Owners & Breeders Association	Yes	Yes	6,616	70% to breeder and 30% to stallion owner	American Saddlebred Horse Association/American Saddlebred Registry	Stallion stands in KY; mare foals in KY	USEF/ASHA/ASR; all judges are licensed by USEF
South Central Hackney Association	Yes	Yes	1,531	1-6th place: 80% to foal owner; 10% to mare owner & 10% stallion owner	American Hackney Horse Society	stallion stand in KY; mare foals in KY	SCHA

PVI ('20-'22) Non-Race Application Materials Checklist

Applicant	HB-1 Form	Award Distribution Plan	Reported # of horses in KY under 25 Yrs	Award plan benefits? Per KRS 203.804: breeders and owners	Name of National Breed Organization & letter confirmed:	Bred & Foaled per KRS 230.804	Scoring body:
KY Walking Horse Association	Yes	Yes	31,199	60% to foal owner; 25% to mare owner; 10% to stallion owner; 5% for BIF Show	TN Walking Horse Breeders' & Exhibitors' Assc.	Stallion stands in KY; mare foals in KY	Shows affiliated with FOSH, IWHA, NWHA, WHOA

<b>PROPOSED DISTRIBUTIONS FOR PVI</b>						
<b>Based on estimated allocation of \$1,000,000</b>						
	<b>Number</b>	<b>Breed</b>	<b>%</b>	<b>\$\$</b>	<b>PV #</b>	<b>% change</b>
	2,349	Kentucky Appaloosa Owners Association, Inc.	2.25%	\$22,545	2,530	-7%
	3,230	Kentucky Arabian & Half Arabian Breeders Alliance	3.10%	\$31,001	3,870	-17%
	7,163	Kentucky Mountain Saddle Horse Association of KY	6.87%	\$68,749	6,354	13%
	5,164	Kentucky Miniature Horse Breeders Club	4.96%	\$49,563	5,249	-2%
	1,153	<i>Mountain Pleasure Horse Association</i>	1.11%	\$11,066	857	35%
	9,670	Kentucky Paint Horse Club	9.28%	\$92,811	9,683	0%
	29,998	<i>Kentucky Quarter Horse Association</i>	28.79%	\$287,916	30,684	-2%
	6,117	Rocky Mountain Horse Association	5.87%	\$58,710	6,180	-1%
	6,616	<i>Kentucky Saddlebred Owners and Breeders Association</i>	6.35%	\$63,499	8,970	-26%
	1,531	<i>South Central Hackney Association</i>	1.47%	\$14,694	1,564	-2%
	31,199	<i>Kentucky Walking Horse Breeders Incentive Fund</i>	29.94%	\$299,443	32,416	-4%
<b>TOTAL:</b>	<b>104,190</b>		<b>100.00%</b>	<b>\$1,000,000</b>		



ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

**To:** Commissioners, Kentucky Horse Racing Commission

**From:** Jamie Eads, Deputy Executive Director  
Jennifer Wolsing, General Counsel  
Chad Thompson, Deputy General Counsel

**Date:** February 3, 2021

**Re:** Proposed amendments to 810 KAR 5:080: Harness racing at Kentucky Fairs

On January 14, 2021, the KSDF/KSBIF Advisory Panel approved numerous regulatory amendments related to 810 KAR 5:080: Harness racing at Kentucky Fairs.

The major recommended changes to our regulation are as follows:

- We are rebranding the harness races as the “Kentucky Proud Series.”
- We removed all references to the Kentucky Colt Racing Association.
- We removed several sections that are more appropriate for the conditions and available for the panel to decide every year. Examples:
  - Section 3: Fair fees.
  - Section 6: Use of entry fees.
  - Section 7: License application and approval for purse distributions
  - Section 9: Early closers
  - Section 11: Points Distribution
  - Section 14: Coggins Test
  - Section 15: Drivers
  - Section 16: Trophies
  - Section 17: Early Deadlines
- We specifically stated that the KY Sire Stakes Panel can annually determine the following:
  - The purse for each race
  - Fees, like nomination, sustaining, starting, and finals fees
  - Points distribution
  - Distribution of revenue for the Kentucky Proud Series
  - Early closers and
  - Any other conditions that you all believe are necessary and appropriate.
- We removed requirements that are duplicative of other regulations.
  - For instance, in Section 4: Officials, the regulation will simply refer to 810 KAR 2:050.



- Another example is Section 18. The current section of the regulation establishes numerous requirements for programs, but those requirements are also set forth in 810 KAR Chapter 5.
    - Overall, we stated in the new Section 4 that all races should be held in accordance with KRS Chapter 3 and 810 KAR Chapters 2, 3, 5, 6, 7, and 8.
  - All of the items related to health and safety, such as track conditions and drug testing protocols, remained in place

Of note, the proposed amendment to Section 3(3) was not approved by the full KSDF/KSBIF Advisory Panel. That amendment states that the Commission will pay for and determine the number of judges. This amendment was added after a potential conflict with 810 KAR 2:050 was discovered following the Panel meeting. It is approved and recommended by Panel Chair Ken Jackson.

Draft amendments to our regulations are attached to this memorandum.

The KHRC staff and the KSDF/KSBIF Advisory Panel recommend approval.

COMMISSION ACTION:

	Approve
	Deny
	Defer

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Amendment)

4 810 KAR 5:080. Kentucky Proud Series~~[Harness racing at county fairs]~~.

5 RELATES TO: KRS 230.215, 230.260, 230.280, 230.290, 230.310, 230.398

6 STATUTORY AUTHORITY: KRS 230.215, 230.260, 230.398

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) and 230.260(8) authorize the  
8 Kentucky Horse Racing Commission (the "commission") to promulgate administrative regulations  
9 prescribing the conditions under which horse racing shall be conducted in Kentucky. KRS 230.398  
10 authorizes the commission to promulgate administrative regulations governing the conduct of  
11 county fair races, branded as the "Kentucky Proud Series."~~[.]~~ This administrative regulation  
12 establishes conditions, races, purses, and payments in races conducted as part of the Kentucky  
13 Proud Series~~[at county fairs]~~ in which funds for purses are provided by the commission, and  
14 regulates eligibility for participation in the Kentucky Proud Series~~[harness racing at county fairs]~~.

15 Section 1. Eligibility.

16 A horse is eligible to participate in a two (2) or three (3) year old Kentucky Proud Series  
17 stakes race~~[at a county fair]~~ if the ~~[:]~~

18 ~~(1) The~~ horse is a two (2) year old or a three (3) year old that is "Kentucky-bred" as defined  
19 in 810 KAR 7:040~~;~~

1 ~~(2) All owners of the participating horse are current members of the Kentucky Colt Racing~~  
2 ~~Association, Inc.;~~

3 ~~(3) All owners of the participating horse hold a current license with the commission; and~~

4 ~~(4) The trainer and driver of the participating horse hold current licenses with the~~  
5 ~~commission].~~

6 Section 2. Track Requirements.

7 (1) A fair shall have a safe and adequate track, and the entire track, including start and  
8 finish lines, shall be visible to judges and spectators.

9 (2) The track shall be inspected and approved by a representative of the commission.

10 (3) A track shall have a hub rail or pylons approved by the commission.

11 (4)(a) A fair shall have safe and adequate stalls for participating horses.

12 (b) If permanent stalls are not available, tents or other tie-in type stalls may be used.

13 (c) Except as provided by paragraph (d) of this subsection, a county fair shall not charge  
14 stall rent for horses racing at the fair.

15 (d) A county fair may charge stall rent if the fair is held on state-owned property.

16 Section 3. ~~Fair Fees.~~

17 ~~(1) The Kentucky Colt Racing Association fees shall be as follows:~~

18 ~~(a) A nomination fee of fifty (50) dollars per horse due on or before February 15 of each~~  
19 ~~racing year;~~

20 ~~(b) A sustaining fee of \$200 per horse due on or before April 15 of each racing year;~~

21 ~~(c) A starting fee of fifty (50) dollars per horse, per fair, due at the time of entry for the~~  
22 ~~fair; and~~

1           ~~(d) A twenty five (25) dollar fee per horse for starting in an overnight race, due at the time~~  
2 ~~of entry for the fair.~~

3           ~~(2) A \$200 payment shall be due at the time of entry for a horse eligible for the fair finals.~~  
4           ~~Section 4.] Officials.~~

5           (1) The host track~~[Kentucky Colt Racing Association]~~ shall submit to the commission, at  
6 least sixty (60) days prior to the opening of a race meeting, a written list of racing officials and  
7 applicable employees.

8           (2) 810 KAR 2:050 shall govern the judges and racing officials at Kentucky Proud Series  
9 stakes races.~~[At a county fair, there shall be at least one (1) presiding judge approved by the~~  
10 ~~commission in the judges' stand. In addition, at a meeting in which races are charted, the~~  
11 ~~association member shall provide both a licensed charter and licensed clerk of the course.~~

12           ~~(3) A fair shall use licensed United States Trotting Association judges to preside over the~~  
13 ~~racing.~~

14           ~~(4) The judges shall review the ownership of any horse that is entered in order to ensure~~  
15 ~~the horse's eligibility to race.~~

16           ~~(5) The judges may determine the validity for racing purposes of any lease, transfer, or~~  
17 ~~agreement pertaining to ownership of a horse and may call for adequate evidence of ownership~~  
18 ~~at any time.~~

19           ~~(6) The judges may declare a horse ineligible to race if the ownership or control of the~~  
20 ~~horse is in question.]~~

21           (3)[(7)] Officials shall be paid by the entity hosting the races, with the exception of judges.  
22 Judge shall be paid by the commission. Judges shall be paid by the commission, which shall



1 determine the number of judges, notwithstanding any provision of 810 KAR 2:050 to the contrary

2 [~~Kentucky Colt Racing Association.~~

3 ~~Section 5. Starter. A fair shall use a licensed starter with adequate equipment.~~

4 ~~Section 6. Use of Entry Fees.~~

5 ~~(1) The entry fees established in Section 3(1)(c) and (d) of this administrative regulation~~  
6 ~~shall be retained by each fair as compensation for conducting its harness racing program and in~~  
7 ~~reimbursement of the expenses incurred.~~

8 ~~(2) A fair shall, upon request, make a full accounting of the entry fees to the commission.~~

9 ~~Section 7. Application for a License and Approval for Purse Distributions.~~

10 ~~(1) The Kentucky Colt Association on behalf of a fair shall apply to the commission for a~~  
11 ~~license to conduct a harness racing event. A request for parimutuel wagering shall be included at~~  
12 ~~the time of application.~~

13 ~~(2) Distribution of revenue for the Kentucky County Fairs shall be reviewed annually, not~~  
14 ~~later than December 15 of each calendar year, by the advisory panel established in 810 KAR~~  
15 ~~7:040].~~

16 ~~Section 4[8]. Requirements.~~

17 ~~All races shall be held in accordance with KRS Chapter 230 and 810 KAR Chapters 2, 3, 5,~~  
18 ~~6, 7, and 8[Changes in Racing Program. A fair shall have the right to change the order of its~~  
19 ~~program and to postpone or cancel an event due to bad weather or unavoidable cause. If a race~~  
20 ~~is canceled because of lack of entries, entry fees shall be refunded.~~

21 ~~Section 9. Early Closers.~~

1           ~~(1) An early closing event, and all divisions of that event, shall race a single heat at a~~  
2 ~~distance of one (1) mile and shall be contested for a purse approved by the commission on an~~  
3 ~~annual basis.~~

4           ~~(2) An early closing race shall be contested regardless of the number of entries. However,~~  
5 ~~a fair may cancel an overnight race with less than five (5) entries].~~

6           Section ~~5~~<sup>14</sup>. Kentucky Sire Stakes panel.

7           (1) No later than December 15 of each calendar year, the Kentucky Sire Stakes advisory  
8 panel established in 810 KAR 7:040 may annually address, and the commission may annually  
9 approve, at least the following conditions, which may be placed in the condition book for the  
10 following year:~~[Number of Starters and Purse Distributions. There shall be no more than two (2)~~  
11 ~~trailers in any race at a county fair.~~

12           ~~(1) On a one (1) mile track, there shall be ten (10) horses on the gate and the race shall~~  
13 ~~split on eleven (11) horses.~~

14           ~~(2) On a half mile track or five eighths mile track, there shall be five (5) horses on the gate~~  
15 ~~with two (2) trailers, and the race shall split on eight (8) horses.]~~

16           (a)~~(3)~~ The purse for each race;

17           (b) Race dates;

18           (c) Fees, such as nomination, sustaining, starting, and finals fees;

19           (d) Distribution of revenue for the Kentucky Proud Series;

20           (f) Early closers; and

21           (g) Other conditions necessary to participate in the Kentucky Proud Series.~~[shall be~~  
22 ~~divided as follows:~~

- 1           ~~(a) Five (5) starters— fifty (50) percent, twenty five (25) percent, twelve (12) percent, eight~~  
2 ~~(8) percent, and five (5) percent; (b) Four (4) starters— fifty (50) percent, twenty five (25) percent,~~  
3 ~~twelve (12) percent, eight (8) percent, and the remaining five (5) percent reverts back to the fund;~~  
4           ~~(c) Three (3) starters— fifty (50) percent, twenty five (25) percent, twelve (12) percent,~~  
5 ~~and the remaining thirteen (13) percent reverts back to the fund;~~  
6           ~~(d) Two (2) starters— fifty (50) percent, twenty five (25) percent, and the remaining~~  
7 ~~twenty five (25) percent reverts back to the fund; and~~  
8           ~~(e) One (1) starter— fifty (50) percent, and the remaining fifty (50) percent reverts back to~~  
9 ~~the fund.~~

10           ~~Section 11. Points Distribution.~~

11           ~~(1) Points shall be awarded in an early closing race, and any division of an early closing~~  
12 ~~race, as follows:~~

- 13           ~~(a) First place finisher— fifty (50) points;~~  
14           ~~(b) Second place finisher— twenty five (25) points;~~  
15           ~~(c) Third place finisher— twelve (12) points;~~  
16           ~~(d) Fourth place finisher— eight (8) points;~~  
17           ~~(e) Fifth place finisher— five (5) points; and~~  
18           ~~(f) Each starter that finishes out of the money— one (1) point.~~

19           ~~(2) If two (2) horses dead heat for any position, they shall each receive one half (1/2) of~~  
20 ~~the points awarded for that position and one half (1/2) of the points awarded for the next lower~~  
21 ~~position. The same procedure shall be used for the allocation of points if there is a dead heat of~~  
22 ~~three (3) or more horses.~~

1           ~~(3) A horse that is declared in and then is the subject of a judge's scratch shall be awarded~~  
2 ~~one (1) point based upon the decision of the presiding judge. This decision shall be final.~~

3           ~~(4) If there is a tie among two (2) or more horses with the same number of points, the tie~~  
4 ~~shall be resolved in favor of the horse with the higher earnings in the early closing fair events in~~  
5 ~~which the horses have competed.~~

6           ~~(5) If any division of a race is rained out before the completion of all other divisions of~~  
7 ~~that race, the points for distribution set forth in this section shall not apply, and instead one (1)~~  
8 ~~point shall be awarded to each horse entered in each division of that race that was rained out.~~

9           ~~Section 12. Entry Limitation. A horse shall not be allowed to compete in more than one~~  
10 ~~(1) race at any fair.]~~

11           Section ~~6~~<sup>[13]</sup>. Drug Testing.

12           (1) The winning horse at a fair race and any other horse or horses as selected by the judges  
13 may be subjected to a drug test as set forth in 810 KAR 8:010 and 810 KAR 8:060.

14           (2) A fair shall provide two (2) enclosed stalls and bedding to be used by the commission  
15 veterinarian for drug testing.

16           (3) The stalls required by subsection (2) of this section shall be located as close to the race  
17 track as possible.

18           (4) The stalls shall be positioned to allow the track announcer to be heard.

19           (5) The expense of the testing laboratory or other testing processes, whether furnished  
20 by contract or otherwise, together with all supplies and equipment used in connection therewith,  
21 shall be paid by the entity operating harness races under this administrative regulation.

1           ~~[Section 14. Coggins Test. A current negative Coggins test shall be required for each horse~~  
2 ~~racing at a fair.~~

3           ~~Section 15. Drivers. A driver shall wear full colors, white pants, a safety vest as required~~  
4 ~~by 810 KAR 5:070 Section 17, and a safety helmet that meets the standards set forth in 810 KAR~~  
5 ~~5:070 Section 16, if on the track less than one (1) hour before the start of a fair racing program.~~

6           ~~Section 16. Trophies. A fair shall provide a trophy or blanket to the winner of a race. If a~~  
7 ~~race is contested in heats or divisions, the trophy shall be presented to the winner of the fastest~~  
8 ~~heat or division.~~

9           ~~Section 17. Early Deadlines. The deadline for entries at a fair shall be set by the Kentucky~~  
10 ~~Colt Racing Association at its annual October meeting preceding the racing year.~~

11           ~~Section 18. Programs. A county fair track holding races for purses shall provide a printed~~  
12 ~~program available to the public containing the following information:~~

13           ~~(1) For non-parimutuel tracks:~~

14           ~~(a) Horse's name and sex;~~

15           ~~(b) Color and age of horse;~~

16           ~~(c) Sire and dam of horse;~~

17           ~~(d) Owner's name;~~

18           ~~(e) Driver's name and colors;~~

19           ~~(f) Trainer's name; and~~

20           ~~(g) Summary of starts in purse races, earnings, and the best win time for the current and~~  
21 ~~preceding year, which may be earned in either a purse or nonpurse race; and~~

22           ~~(2) For parimutuel tracks:~~

- 1           ~~(a) All of the program information required by subsection (1) of this section;~~
- 2           ~~(b) At least the last six (6) performance and accurate chart lines. An accurate chart line~~
- 3 shall include:
- 4           ~~1. Date of race;~~
- 5           ~~2. Location of race;~~
- 6           ~~3. Size of track if other than a one-half (1/2) mile track;~~
- 7           ~~4. Symbol for free-legged pacers;~~
- 8           ~~5. Track condition;~~
- 9           ~~6. Type of race;~~
- 10          ~~7. Distance;~~
- 11          ~~8. The fractional times of the leading horse including race times;~~
- 12          ~~9. Post position;~~
- 13          ~~10. Position of the one-quarter (1/4) marker, the one-half (1/2) marker, and the three-~~
- 14 ~~quarters (3/4) marker;~~
- 15          ~~11. Stretch with lengths behind leader;~~
- 16          ~~12. Finish with lengths behind leader;~~
- 17          ~~13. Individual time of the horse;~~
- 18          ~~14. Closing dollar odds;~~
- 19          ~~15. Name of the driver;~~
- 20          ~~16. Names of the horses that placed first, second, and third by the judges; and~~
- 21          ~~17. Standard symbols for breaks and park-outs, if applicable;~~
- 22          (c) Indicate drivers racing with a provisional license; and

1           ~~(d) Indicate pacers that are racing without hobbles.~~

2           ~~Section 19. Payments. Nomination and sustaining payments shall be made to the~~  
3 ~~Kentucky Colt Racing Association. Entry fees shall be paid to the fair for which the entry is taken.]~~

4           Section 7~~[20]~~. Violations.

5           A person or association that violates a provision of this administrative regulation shall be  
6 subject to the penalties set forth in 810 KAR 8:030, Section 1~~[10]~~.

810 KAR 5:080  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet



## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at [NO DATE SPECIFIED] at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on [NO DATE SPECIFIED]. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 5:080

Contact Person: Jennifer Wolsing

Phone: +1 (859) 246-2040

Email: jennifer.wolsing@ky.gov

- (1) Provide a brief summary of:
  - (a) What this administrative regulation does: NA
  - (b) The necessity of this administrative regulation: NA
  - (c) How this administrative regulation conforms to the content of the authorizing statutes: NA
  - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: NA
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
  - (a) How the amendment will change this existing administrative regulation: NA
  - (b) The necessity of the amendment to this administrative regulation: NA
  - (c) How the amendment conforms to the content of the authorizing statutes: NA
  - (d) How the amendment will assist in the effective administration of the statutes: NA
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: NA
- (4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
  - (a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: NA
  - (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: NA

- (c) As a result of compliance, what benefits will accrue to the entities: NA
  
- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
  - (a) Initially: NA
  - (b) On a continuing basis: NA
  
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: NA
  
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: NA
  
- (8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: NA
  
- (9) TIERING: Is tiering applied? Explain why or why not. NA

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 5:080  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? NA

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. NA

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? NA

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? NA

(c) How much will it cost to administer this program for the first year? NA

(d) How much will it cost to administer this program for subsequent years? NA

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): NA

(5) Expenditures (+/-): NA

(6) Other Explanation: NA



Andy Beshear  
Governor

Kerry B. Harvey  
Secretary

Jonathan Rabinowitz  
Chairman

Marc A. Guilfoil  
Executive Director

## Public Protection Cabinet

### KENTUCKY HORSE RACING COMMISSION

Established 1906

4063 Iron Works Pkwy., Bldg. B

Lexington, Kentucky 40511

Telephone: (859) 246-2040 Fax: (859) 246-2039

Website: <http://khrc.ky.gov>

**To:** Commissioners, Kentucky Horse Racing Commission

**From:** Jennifer Wolsing, General Counsel  
T. Chad Thompson, Deputy General Counsel

**Date:** December 9, 2020

**Re:** Ratification of Executive Director Marc Guilfoil's Approval of Request from Kentucky Downs to Expand its Licensed Premises to an Extension Facility in Bowling Green, Kentucky

On December 4, 2020, Executive Director Marc Guilfoil received a request from Kentucky Downs to expand its licensed premises to include an extension facility pursuant to 810 KAR 1:001(36)(c). The proposed extension facility will be within sixty (60) miles of Kentucky Downs' racetrack. In addition, the proposed extension facility will not be within sixty (60) miles of another association's racetrack. Nor will the proposed extension facility be within forty (40) miles of a simulcast facility. It is understood that Kentucky Downs will offer simulcast racing wagering, as well as exotic wagers yet to be determined.

On December 9, 2020, Executive Director Guilfoil conditionally approved this request, in accordance with the terms of KRS 230.230(1). The expeditious nature of Executive Director Guilfoil's conditional approval was necessary to ensure that the facility could open and operate in a timely fashion.

The Commission is now asked to ratify the conditional approval provided by Executive Director Guilfoil, and the Commission staff recommends ratification.



COMMISSION ACTION:

- \_\_\_\_\_ Approve
- \_\_\_\_\_ Deny
- \_\_\_\_\_ Defer



December 4, 2020

Kentucky Horse Racing Commission  
Marc A. Guilfoil, Executive Director  
4063 Iron Works Parkway, Building B  
Lexington, Kentucky 40511

5629 Nashville Road  
Franklin, Kentucky 42134

270-586-7778

[KentuckyDowns.com](http://KentuckyDowns.com)

**RE: Kentucky Downs--Expansion of License Premises to Bowling Green, KY**

Dear Mr. Guilfoil,

I am writing on behalf of Kentucky Downs, LCC and to request formal approval from the Kentucky Horse Racing Commission to expand our licensed premises to a soon to be disclosed facility in Bowling Green, Warren County, Kentucky (the "Property").

Pursuant to the recent changes to 810 KAR 2:001 the definition of "Licensed Premises" includes:

...(c) One (1) facility or real property that is:

1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of the associations track but not contiguous to track premises, upon commission approval; and
2. For purposes of paragraphs (b) and (c) of this subsection, is not within a sixty (60) mile radius of another licensed track premise where live racing is conducted and not within a forty (40) mile radius of a simulcast facility, unless any affected track or simulcast facility agrees in writing to permit a noncontiguous facility within the protected geographic area.

Accordingly, please allow this letter to serve as Kentucky Downs Formal Request for Approval from the Commission for the addition of its Licensed Premises. This Property and proposed facility will be within the requisite sixty (60) miles of Kentucky Down's racetrack; will not be within sixty (60) miles of another Association's racetrack; and will not be within forty (40) miles of a simulcast facility. At this expanded licensed premises, Kentucky Downs, LLC plans to offer simulcast racing wagering as well as a variety of pari-mutual wagers including exotic wagers, all yet to be determined. Provided that prior to offering any such waiver Kentucky Downs, LLC shall submit written request pursuant to 801 KAR 1:120.

The location will be a great benefit to the City of Bowling Green and Warren County, bringing additional tourism, tax revenue and much needed jobs, as well as a benefit to the continued growth of horse racing in the Commonwealth. We feel this is an acceptable use under the current regulations, and we therefore request formal approval for same.

If you have any questions, please do not hesitate to contact us. We hope to have your support for this exciting new expansion venture.

Sincerely,

A handwritten signature in black ink that reads "Ron Winchell".

Ronald W. Winchell



Andy Beshear  
Governor

Kerry B. Harvey  
Secretary

Jonathan Rabinowitz  
Chairman

Marc A. Guilfoil  
Executive Director

## Public Protection Cabinet

### KENTUCKY HORSE RACING COMMISSION

Established 1906

4063 Iron Works Pkwy., Bldg. B

Lexington, Kentucky 40511

Telephone: (859) 246-2040 Fax: (859) 246-2039

Website: <http://khrc.ky.gov>

December 9, 2020

Ronald Winchell  
Kentucky Downs  
5629 Nashville Road  
Franklin, KY 42134

#### Via Electronic Mail

Re: Kentucky Downs' expansion of licensed premises

Dear Mr. Winchell:

As authorized by KRS 230.230(1), I hereby grant conditional approval of Kentucky Downs' October 21, 2020 request to expand its licensed premises to a soon-to-be-disclosed extension facility in Bowling Green, Warren County, Kentucky. The full Kentucky Horse Racing Commission will consider ratification of this conditional approval at its February 16, 2021 meeting. However, it is understood that conditional approval is necessary at this time to ensure the extension facility's timely opening and operation.

Very truly yours,

A handwritten signature in blue ink that reads "Marc A. Guilfoil".

Marc A. Guilfoil  
Executive Director





ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**To:** Commissioners, Kentucky Horse Racing Commission  
**From:** T. Chad Thompson, Deputy General Counsel  
**Date:** January 20, 2021  
**Re:** ECL Corbin's request to amend Section R of its 2021 application to shift race dates

---

In its application for a 2021 license, ECL Corbin, LLC ("ECL Corbin") sought and received an award of twelve (12) 2021 racing dates, to be hosted at The Red Mile in Lexington, Kentucky, as follows:

July 2, 3, 4, 9, 10, 11, 16, 17, 18, 23, 24, and 25.

On January 8, 2021, ECL Corbin requested approval to amend Section R of its 2021 Application, which describes Racing and Wagering Operations. A copy of that request is included in the materials after this memorandum. Specifically, ECL Corbin requests to shift the above-referenced dates as follows, in an effort to be more consistent with the racing schedules of other harness meets in the Commonwealth, which run on Sundays, Mondays, and Tuesdays:

July 4, 5, 6, 11, 12, 13, 18, 19, 20, 25, 26, and 27.

Of note, the request does not seek to alter the number of race dates in any way. The Commission has legal authority to approve these changes and the KHRC staff recommends approval.

Per my review of Kentucky statutes and regulations, nothing prohibits the Commission from approving a shift in live race meeting dates and host track status. Although the award of additional race dates to a track after the November 1 deadline is not allowed under KRS 230.300(5), except in limited circumstances,<sup>1</sup> that is not what ECL Corbin seeks. Instead, ECL Corbin seeks only to shift dates that have already been awarded.

---

<sup>1</sup> This reading of the statute is confirmed by two (2) Attorney General Opinions. See 1980-81 Ky. Op. Att'y Gen. 2-883 (1981) ("[I]t is not within the scope of authority of the Kentucky State Racing Commission to award additional racing dates to [a track] in absence of the cancellation of previously scheduled dates due to flood, fire, or inclement water, or an extraordinary disruption of the orderly conduct of business amounting to the same crisis level as a natural disaster."); 1978-79 Ky. Op. Atty' Gen. 2-539 (1979) ("By fixing the March 1 deadline, the legislature has clearly demonstrated its intent that the Commission shall decide who shall be awarded what dates by that time, and that, under ordinary circumstances, that decision shall be final."). One of those opinions suggested that the award of additional race dates could have dire consequences: "For, if the Commission were to award dates which were obviously unrelated to the purpose of making up for regular scheduled dates which were cancelled, [the track] would

Although such requests have been infrequent, the Commission has traditionally allowed race dates to be shifted if the request is received and approved before racing on the date in question is held.<sup>2</sup> Such an action does not constitute the “award” of race dates and thus is not barred by the November 1 deadline in KRS 230.300.

The concern that drives the statutory time limit on awarding race dates—“to prevent ongoing battles for dates,” 1978-79 Ky. Op. Att’y Gen. 2-538 (1979)—is not present here. ECL Corbin has already been awarded twelve (12) days of racing for 2021, and the shifted days will fall within the same month as the dates that were originally awarded. In addition, the shifted dates will not conflict with those held by another Standardbred track, and they are supported by both Shannon M. Cobb, the Chief Financial and Operating Officer for The Red Mile, and Robert M. Brady, the President of the Kentucky Harness Association.

COMMISSION ACTION:

_____	Approve
_____	Deny
_____	Defer

---

be potentially liable not only for maintaining a public nuisance and for promoting illegal gambling activity, but there is also authority to the effect that [the track] would be civilly liable to patrons for the amount of bets placed and lost if it was in fact operating under a license which is invalid under the statute.” 1978-79 Ky. Op. Att’y Gen. 2-539 (1979).

<sup>2</sup> For instance, in June 2012, Kentucky Downs was allowed to shift two race dates from Tuesdays to Wednesdays. Similarly, in 2019, WKY Development was allowed to shift race dates so that races were held on three days for four weeks, rather than two days for six weeks.



# ECL-CORBIN

January 8, 2021

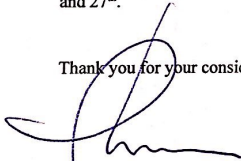
Marc Guilfoil, Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511

Dear Marc,

The Corbin harness race meet, which is set to be run at the Red Mile, would respectfully request the KHRC's approval to adjust their racing days of the week during it's race meet scheduled for July of this year. ECL Corbin originally requested a Friday-Sunday race meet for the entire month of July. We would like to adjust it to be more in-line with the other harness meets in the Commonwealth, which run Sunday, Monday, and Tuesdays. The Kentucky Harness Association has approved this adjustment to the schedule.

If approved by the commission, our new race days would be as follows: July 4,5,6,11,12,13,18,19,20,25,26, and 27<sup>th</sup>.

Thank you for your consideration,



Ted Nicholson  
Vice President of Racing

**5629 Nashville Rd. Franklin, Kentucky**

## **Nash, Susan (PPC)**

---

**From:** Shannon <smcobb7@aol.com>  
**Sent:** Friday, January 15, 2021 2:51 PM  
**To:** Thompson, Chad C (PPC); Ted Nicholson  
**Cc:** Joe  
**Subject:** Corbin date change

Hello Chad,

Red Mile submitted a letter with the Corbin application to host the meet at our location in 2021.

We agree to the change in racing dates to run Sunday, Monday and Tuesday starting July 4, 2021 for four weeks.

If you have any questions, please feel free to contact me.

Thank you,  
Shannon

Shannon M. Cobb  
Chief Financial and Operating Officer  
Lexington Trots Breeders Assn., LLC  
d/b/a The Red Mile  
[1101 Winbak Way](#)  
[Lexington, KY 40504](#)  
[\(859\) 255-0752](#), x. 223

Sent from my iPhone



Marc Guilfoil, Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511

Dear Marc:

The Kentucky Harness Association supports the request from ECL Corbin, LLC for race date changes to the Corbin harness race meet that will be conducted at The Red Mile in July of 2021. This change will enhance the Kentucky harness circuit.

Thanks in advance,

*Robert M. Brady*

Robert M. Brady  
President, Kentucky Harness Association



ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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**To:** Commissioners, Kentucky Horse Racing Commission

**From:** Jennifer Wolsing, General Counsel  
T. Chad Thompson, Deputy General Counsel

**Date:** January 27, 2021

**Re:** Keeneland's request to amend Section R of its 2021 application to amend race dates/times

---

In its application for a 2021 license, Keeneland Association, Inc. ("Keeneland") sought and received an award of April 2021 racing dates for its facility in Lexington, Kentucky, which required Keeneland to open on April 1, 2021. Specifically, Keeneland was awarded dates from April 1 through April 23, 2021, and October 1 through October 23, 2021.

On January 26, 2021, the Commission received a request from Keeneland to return to its "traditional opening day of April 2, 2021." This amendment would eliminate one (1) live racing date in April. Keeneland's request does not change any host track status. In addition, Keeneland received consent from the Kentucky Thoroughbred Owners & Breeders, Inc., as well as the Kentucky Horsemen's Benevolent and Protective Association.

The Commission may approve shifted race dates.

Per our review of Kentucky statutes and regulations, nothing prohibits the Commission from approving an association to remove one (1) awarded race date. Although the award of additional race dates to a track after the November 1 deadline is not allowed under KRS 230.300(5), except in limited circumstances,<sup>1</sup> that is not what Keeneland seeks. Instead, Keeneland seeks only to remove one (1) live racing date that has already been awarded.

---

<sup>1</sup> This reading of the statute is confirmed by two (2) Attorney General Opinions. See 1980-81 Ky. Op. Att'y Gen. 2-883 (1981) ("[I]t is not within the scope of authority of the Kentucky State Racing Commission to award additional racing dates to [a track] in absence of the cancellation of previously scheduled dates due to flood, fire, or inclement water, or an extraordinary disruption of the orderly conduct of business amounting to the same crisis level as a natural disaster."); 1978-79 Ky. Op. Att'y Gen. 2-539 (1979) ("By fixing the March 1 deadline, the legislature has clearly demonstrated its intent that the Commission shall decide who shall be awarded what dates by that time, and that, under ordinary circumstances, that decision shall be final."). One of those opinions suggested that the award of additional race dates could have dire consequences: "For, if the Commission were to award dates which were obviously unrelated to the purpose of making up for regular scheduled dates which were cancelled, [the track] would be potentially liable not only for maintaining a public nuisance and for promoting illegal gambling activity, but there is also authority to the effect that [the track] would be civilly liable to patrons for the amount of bets placed and lost if it was in fact operating under a license which is invalid under the statute." 1978-79 Ky. Op. Att'y Gen. 2-539 (1979).

The concern that drives the statutory time limit on awarding race dates—“to prevent ongoing battles for dates,” 1978-79 Ky. Op. Att’y Gen. 2-538 (1979)—is not present here. Keeneland has already been awarded live racing dates in April and October 2021. In addition, the proposed amendment is supported by Marty Maline, the Executive Director for the Kentucky Horsemen’s Benevolent and Protective Association.

If Keeneland does not receive Commission approval for an amendment to its listed live race dates, then Keeneland could be subject to penalties under 810 KAR 3:010 Section 10, which states that a licensee that fails to conduct racing after the commencement date specified in its license may be subject to a late fee not to exceed \$15,000.00 per day.

The KHRC staff recommends approval.

COMMISSION ACTION:

- \_\_\_\_\_ Approve
- \_\_\_\_\_ Deny
- \_\_\_\_\_ Defer



**Keeneland Association, Inc.**

4201 Versailles Road  
Lexington, KY 40510  
P.O. Box 1690  
Lexington, KY 40588-1690  
859 254-3412 Tel.  
800 456-3412  
859 288-4347 Fax  
www.keeneland.com

**Mr. Marc Guilfoil**

**Kentucky Horse Racing Commission**

**4063 Iron Works Pkwy Building B**

**Lexington, KY 40511**

Dear Mr. Guilfoil,

Keeneland would like to submit, for the Commission's consideration, a change to our previously-awarded race dates for April 2021. Rather than opening on April 1, we would like to return to our traditional opening day of April 2, 2021, resulting in fifteen (15) days of racing due to the Easter holiday.

This does not change any host track status and we have received consent from all of the horsemen groups, which you will receive under separate cover.

Thank you in advance for your consideration of this request and please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "V. Gabbert".

Vince Gabbert





# Kentucky Horsemen's Benevolent and Protective Association, Inc.



**Rick Hiles**  
President

**Frank L. Jones Jr.**  
Vice President

**Dale Romans**  
2nd Vice President

**OWNER**

**DIRECTORS:**  
F. Thomas Conway  
Michael J. Bruder  
Mark C. Bacon  
Travis Foley

January 26, 2021

**Mr. Marc Guilfoil**  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Building B  
Lexington, KY 40511

Dear Marc:

Vince Gabbard has contacted the KHBPA and requested a variance in Keeneland's original 2021 Spring meeting race dates request.

The request is to return to racing fifteen days (15) during the Spring race meeting. It is my understanding that the request conforms with their usual and customary dates for Spring race meetings in the past.

The KHBPA approves Keeneland's request.

Sincerely,

Martin A. Maline, Ex.Dir. KHBPA

**Martin A. Maline**  
Executive Director

**Sara Toomey**  
Executive Assistant

**John Griffith**  
Treasurer

**Robert P. Benson, Jr.**  
General Council

**TRAINER**  
**DIRECTORS:**  
William Bradley  
William Connelly  
John A. Hancock  
R C Sturgeon.



January 26, 2021

Jon Rabinowitz, Chairman  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Lexington, KY 40511 USA

Dear Chairman Rabinowitz:

The Kentucky Thoroughbred Owners & Breeders, Inc. amends our September 15, 2020 approval to the Commission pursuant to KRS 230.377 for Keeneland Association's 2021 race date application for April and October, 2021 at Keeneland racetrack:

April 2 – 23                      Live racing (Wednesday through Sunday; no racing on Sunday, April 4th)

October 1 – 23                    Live racing (Wednesday through Sunday)

The amendment eliminates one day. Our approval is contingent upon the KHRC approving the request. As always we are in favor of additional days within the April and October 2021 footprint, i.e. additional days of the week of live racing, should Keeneland management consider safe and feasible. Lastly, please allow this letter to give approval for simulcasting dates as well, from January 1 till December 31, 2021.

Sincerely,

Chauncey Morris  
Executive Director

**Cc:** Mr. Vince Gabbert, Keeneland Association, Inc.





ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
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ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard DVM

**DATE:** February 9, 2021

**SUBJECT:** Fluphenazine

Fluphenazine is an antipsychotic medication. The ARCI classifies fluphenazine as a Class 2 drug with a Class B penalty. It is in the phenothiazine class of drugs.

The KHRC currently has a withdrawal recommendation of 7 days on this drug. I received an inquiry from a racetrack practitioner as to whether this recommendation was sufficient. Upon investigation, I have found that this withdrawal recommendation was made prior to 2004. This recommendation is thought to have been made when ELIZA testing was being utilized. With modern testing procedures being used, this drug can be detected for much longer periods. The small amount of data I have been able to find suggests that this drug persists for weeks in the horse. Information I received from California suggests persistence for even months. The recommendation which California circulated to trainers and veterinarians cited a violation at over 10 weeks post-reported administration, and recommended against using fluphenazine "anywhere near racing".

I have circulated a memo to all veterinarians registered with the KHRC and KAEP informing them that we will rescind the 7 days guidance for withdrawal of fluphenazine. I don't think there is a credible study to make a withdrawal recommendation at this time, and I have therefore proposed that blood samples be submitted for pre-race clearance testing from any horses that have received this medication.

The EDRC at its January 23, 2021 meeting, discussed this issue and voted unanimously to withdraw the guidance and to recommend pre-race clearance testing for any horse which has been administered fluphenazine within the previous six months.

The KHRC staff would recommend that the KHRC remove the current withdrawal guidance for fluphenazine and replace it with a recommendation for pre-race clearance testing for any horses that have received this medication.



**KHRC Action:**

\_\_\_\_\_ Approve  
\_\_\_\_\_ Defer  
\_\_\_\_\_ Deny



ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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**TO: KENTUCKY HORSE RACING COMMISSION**

FROM: Barbara Borden, Chief State Steward

DATE: January 15, 2021

**RE: KEENELAND'S PROPOSED 2021 SPRING MEET OFFICIALS & DATES PREFERENCE SYSTEM**

---

By letter dated January 13, 2021, Chip McGauhey, Acting Director of Racing Administration at Keeneland racetrack, requests approval of the attached Roster of Racing Officials and Dates Preference System for their 2021 Spring Meet. Please be advised all Stewards have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the meet opening.

Approval is recommended.

**COMMISSION ACTION:**

\_\_\_\_\_ Approve

\_\_\_\_\_ Defer

\_\_\_\_\_ Deny



**Keeneland Association, Inc.**  
4201 Versailles Road  
Lexington, KY 40510  
P.O. Box 1690  
Lexington, KY 40588-1690  
859 254-3412 Tel.  
800 456-3412  
859 288-4347 Fax  
www.keeneland.com

January 13, 2021

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Pkwy., Bldg. B  
Lexington, KY 40511

Dear Marc:

With the approval of the Kentucky Horse Racing Commission, the officials for the 2021 Spring Meeting at Keeneland will be as follows:

Vice President of Racing	TBD
Association Steward	Ronald Herbstreit
Racing Secretary	David Ben Huffman
Acting Director of Racing Admin.	Chip McGaughey
Assistant Racing Secretary	Tia Murphy
Stakes Coordinator	Tiffany Bourque
Starter	Scott Jordan
Paddock Judge	David Wedlake
Assistant Paddock Judge	Tyler Picklesimer
Entry Clerks/Patrol/Placing Judges	James F. Ewalt, Steve Penrod, Ron Tomlinson, Bailey Hare, Scott Jones, Stuart Slagle
Clerk of Scales	Javier Torres
Horse Identifier	Melinda Vest
Assistant Identifier	Beth Bungert
Timer	TrackMaster
Program Coordinator	Jorie Gorski
Jockey's Room Custodian	TBD
Clockers	Chris Crowe, Dave Norton, Gary Reckner
Claims Clerk	Ron Tomlinson
Outriders	Scott Cole, Colby Lavergne, Robin Riesenbeck
Horsemen's Bookkeeper	Kristey Weisenberger
Track Superintendent	Jim Pendergest
Director of Wagering	Jim Goodman
Director of Security	Phil Gardner
Paddock Blacksmith	Arthur S. Tearl
Announcer	Kurt Becker
Stable Manager	Wayne Mogge



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859 288-4347 Fax  
www.keeneland.com

Post time will be 1:05 p.m. each day with eight to eleven live races for the Keeneland Spring Meet.

Keeneland will continue to utilize a date preference system, attached as Exhibit "A" and the following entry schedule:

<i>Race Date</i>	<i>Entry Day</i>
Friday*	Sunday
Saturday*	Wednesday
Sunday	Thursday
Wednesday*	Friday
Thursday*	Saturday

*\*Exceptions*

Friday, April 2	Monday, March 29
Saturday, April 3	Tuesday, March 30
Wednesday, April 7	Thursday, April 1
Thursday, April 8	Friday, April 2
Friday, April 9	Tuesday, April 6

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chip McGaughey", with a long horizontal flourish extending to the right.

Chip McGaughey  
Acting Director of Racing Administration

## EXHIBIT "A"

### KEENELAND DATE PREFERENCE SYSTEM

The Date System of preference will be used at Keeneland Association as described below:

**Foal Certificates and Digital Foal Certificates are no longer required to be on file in the racing office to enter or start at Keeneland Association; however, foal certificates and digital foal certificates must be on file to obtain a preference date and to get a horse tattooed.**

#### Condition preference then by:

1. In over-filled races, preference will be given to horses in order of their assigned preference dates, earliest date first. Horses having identical dates will be chosen by lot, however, where entry and running dates are the same, the horse with the entry date will have preference.
2. All horses intended for racing at Keeneland Association will be assigned a preference date. Dates assigned will be of two types:

#### E-Date

This date will correspond to:

- a. The day on which a horse's foal papers/digital foal papers and name tag are submitted to the identifier (the earliest date being the day when entries are first taken for the meeting).
- b. The day on which a horse is first entered if his papers are not on file with the identifier.
- c. To qualify for the latter E-Date, a horse must have been excluded from a race which appears on the overnight or he must have been entered in a condition book race which failed to fill through insufficient entries.

#### R-Date

This date will correspond to:

- a. The day of a horse's most recent race at Keeneland Association.
  - b. An R-Date will also be assigned to a horse which scratches (provided the foal papers are on file with the identifier).
3. A horse retains his R-Date until he receives a newer R-Date. No horse with an established R-Date may receive an E-Date. A horse whose papers or digital papers are removed from the identifier's office will lose his date and must subsequently re-establish a date in order to receive preference. A horse with an E-Date cannot receive a newer E-Date. Horses starting at another racetrack will forfeit any date they may have at Keeneland Association.
  4. Preference dates will consist of two categories: Dirt (D) and Turf (T). Preference dates are good for any type of race or distance.
  5. A horse that runs in a race, which has been taken off the Turf will retain its Turf date and establish a Dirt R-Date. A scratched horse will receive an R-Date from the date scratched for both Turf and Dirt.
  6. When a race is taken off the Turf, Main Track Only (MTO) horses will receive an R-Date if they run or scratch. If the race remains on the Turf, MTO horses will retain their previous date.
  7. Horses on the Also-Eligible list shall be permitted to draw into races in order listed. A horse entered as MTO shall be listed as an Also-Eligible. If the race remains on the Turf, a horse listed as MTO shall not be permitted to draw into the race.
  8. No E-Date will be assigned to the second choice of an unsplit same-owner entry.
  9. A horse which has been placed on a list (veterinarian, steward, starter or paddock judge) will lose their date and be assigned an R-Date corresponding to the day removed from list.
  10. A horse which is a scheduled starter in a canceled race will not receive an R-Date for that race but will retain its previous date.
  11. Stakes and handicap races are not subject to date preference.
  12. Preference dates are transferred through change of ownership and changes in trainer after the proper transfer procedure have been completed through the Steward's office and delivered to the Racing Secretary's Office.



13. Date preference rules will not supersede KHRC rules regarding preference, eligibility or scratches.
14. Winners will be preferred in all non-maiden races.

### **Condition Preference**

- Horses are preferred by their available conditions in all allowance races beginning with Graded stake winners (Grade I-II-III), open stakes winners through their allowance conditions providing the horse has finished 1st, 2nd, 3rd or 4th for \$40,000 or more since starting for less than \$40,000. In allowance/optional claiming races a horse's eligibility cannot exceed the condition of the race. Starter races for less than \$25,000 will not be preferred.
- No entry will be received except upon the condition that all disputes, claims and objections arising out of the racing or with respect to the interpretation of the conditions of any race shall be decided by the officers of the association, or those whom they may appoint and their decision upon all points shall be final.
- No entry shall be accepted from any stable not provided with a trainer's license.

### **Main Track Only Entries**

- Entries will be accepted in turf races (excluding stakes) for Main Track Only (MTO) horses.
- Trainers must declare the horse as MTO at the time of entry.
- A horse entered as MTO shall be listed as Also-Eligible.
- In an over-filled turf race, Keeneland reserves the right to designate two Main Track Only (MTO) positions on the Also-Eligible List. Also-Eligibles (including MTO) shall be assigned a post position by preference. If preference is equal, post positions shall be drawn by lot, unless otherwise stipulated in the published conditions of the race.
- If the race remains on the turf, a horse listed as MTO shall not be permitted to draw into the race. When a race is removed from the turf, MTO horses will lose any date they have if they run or scratch. If the race remains on the turf, MTO horses will retain their previous date.



ANDY BESHEAR  
GOVERNOR

KERRY B. HARVEY  
SECRETARY

JONATHAN RABINOWITZ  
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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

**TO: KENTUCKY HORSE RACING COMMISSION**

FROM: Barbara Borden, Chief State Steward

DATE: January 27, 2021

**RE: CHURCHILL DOWNS' PROPOSED 2021 SPRING MEET OFFICIALS & DATES PREFERENCE SYSTEM**

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By letter dated January 26, 2021, D. Ben Huffman, Racing Secretary, Churchill Downs racetrack, requests approval of the attached Roster of Racing Officials and Dates Preference System for their 2021 Spring Meet. Please be advised all Stewards have been accredited by ROAP (Racing Officials Accreditation Program) and all officials will be licensed by the meet opening.

Approval is recommended.

**COMMISSION ACTION:**

- \_\_\_\_\_ Approve
- \_\_\_\_\_ Defer
- \_\_\_\_\_ Deny





# CHURCHILL DOWNS

Home of the Kentucky Derby®

January 26, 2021

Mr. Marc Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway  
Lexington, KY 40511

RECEIVED

FEB 01 2021

Kentucky Horse Racing Commission

Dear Mr. Guilfoil,

As required by the regulations set forth by the Kentucky Horse Racing Commission, attached is the list of officials for the 2021 Churchill Downs Spring Meet, along with the date preference rules, which will be used during this meet, for approval by the Kentucky Horse Racing Commission.

Respectfully submitted,

D. Ben Huffman  
Racing Secretary

Enclosure

## CHURCHILL DOWNS LIST OF OFFICIALS FOR THE 2021 SPRING MEET

ASSOCIATION STEWARD:	Tyler Picklesimer
RACING SECRETARY:	Ben Huffman
ASST. RACING SECRETARY/STAKES COORDINATOR	Dan Bork
HORSE IDENTIFIER:	Melinda Vest
ASST. HORSE IDENTIFIER:	Beth Bungert
CLERK OF SALES:	Javier Torres
JOCKEY ROOM CUSTODIAN:	Charlie Woods
CLAIMS CLERK:	Stuart Slagle
PROGRAM COORDINATOR:	Tiffany Bourque
HORSEMEN'S BOOKKEEPER:	Trish Rankin
STARTER:	Scott Jordan
OUTRIDERS:	Greg Blasi Lee Lockwood Shane Hoodenpyle
SR. DIRECTOR SECURITY AND SAFETY:	Earl Biggett
DIRECTOR OF MUTUELS:	Rick Smith
TIMER:	American Teletimer
CLOCKER:	Peter Vestal
ENTRY CLERKS, PADDOCK AND PLACING JUDGES:	Steve Obrekaitis Ron Tomlinson Tia Murphy Baley Hare Allison DeLuca Steve Penrod Jorie Gorski
ANNOUNCER:	Travis Stone
STALL MANAGER:	Steve Hargrave

## DATE PREFERENCE SYSTEM

The Date System of preference will be used at Churchill Downs as described below:

**Foal Certificates and digital foal certificates no longer are required to be on file in the racing office to enter or start at Churchill Downs; however, foal certificates and digital foal certificates must be on file to obtain a preference date and to get a horse tattooed.**

Each day's overnight will list the dates of horses in and on the also-eligible list to enable trainers to see what dates are getting horses in over-filled races.

1. In over-filled races, preference will be given to horses in order of their assigned preference dates, earliest date first. Horses having identical dates will be chosen by lot, however, where entry and running dates are the same, the horse with the entry date will have preference.
2. All horses intended for racing at Churchill Downs will be assigned a preference date. Dates assigned will be of two types:
3. **FOR A ZERO DATE** foal papers and digital foal papers must be turned in to the identifier by Saturday, April 24, 2021.

### **E-Date**

This date will correspond to:

- a) The day on which a horse's foal papers or digital foal papers are submitted to the identifier (the earliest date being the day when entries are first taken for the meeting). An unnamed horse will not receive an E-date.
- b) The day on which a horse is first entered if his papers or digital foal papers are not on file with the identifier.

To qualify for the latter E-date, a horse must have been excluded from a race which appears on the overnight or he must have been entered in a condition book race which failed to fill through insufficient entries.

### **R-Date**

This date will correspond to the day of a horse's most recent race at Churchill Downs. An R-Date will also be assigned to a horse which scratches.

4. A horse retains his R-Date until he receives a newer R-Date. No horse with an established R-Date may receive an E-Date. A horse whose papers or digital papers are removed from the identifier's office will lose his date and must subsequently re-establish a date in order to receive preference. A horse with an E-Date cannot receive a newer E-Date. Horses starting at another race track will forfeit any date they may have at Churchill Downs.
5. Preference dates will consist of two categories: Dirt (D) and Turf (T). Preference dates are good for any type of race or distance.
6. A horse that runs in a race, which has been taken off the turf will retain its turf date. A scratched horse will receive an R-date from the date scratched.
7. When a race is taken off the turf, main track only (MTO) horses will receive an R-Date if they run or scratch. If the race remains on the turf, main track only (MTO) horses will retain their previous date and will not be permitted to start.
8. No E-Date will be assigned to the second choice of an unsplit same-owner entry.

9. A horse which has been placed on a list (veterinarian, steward, starter or paddock judge) will lose their date and be assigned an R-Date corresponding to the day removed from list.
10. A horse which is a scheduled starter in a cancelled race will not receive an R-Date for that race but will retain its previous date.
11. The draw of stakes and handicap race is not subject to date preference.
12. Preference dates are transferred through change of ownership and changes in trainer after the proper transfer procedure have been completed through the Steward's office and delivered to the Racing Secretary's office.
13. Date preference rules will not supersede KHRC rules regarding preference, eligibility or scratches.
14. Winners will be preferred in all non maiden races.

## **CONDITION PREFERENCE**

Horses are preferred by their available conditions in all allowance races beginning with Graded Stakes winners (Grade I-II-III), providing the horse has finished 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> for conditions providing the horses has finished 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, or 4<sup>th</sup> for \$40,000 or more since starting for less than \$40,000. In allowance/optional claiming races a horse's preference cannot exceed the condition of the race. Starter races for less than \$25,000 will not be preferred.

## **WINNERS ARE PREFERRED IN ALL NON-MAIDEN RACES.**

### **Also-Eligibles**

If there are any scratches in a race with also-eligibles, the also-eligible horses will be permitted to move into the race in the order listed on the overnight.

## **810 KAR 4:010. HORSES**

The stewards may at any time require presentation of a horse's registration certificate, virtual certificate, or racing permit or other proof of ownership.

Upon claim, sale or any other transfer of ownership, the horse's registration certificate or racing permit shall be given to the new owner, and any virtual certificate shall be transferred to the new owner electronically. The new owner shall report the change in ownership to the stewards.



**Andy Beshear**  
Governor

**Ray Perry**  
Deputy Secretary

**Public Protection Cabinet**  
**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Telephone: (859) 246-2040  
Fax: (859) 246-2039

**Kerry B. Harvey**  
Secretary

**Marc Guilfoil**  
Executive Director

**Jonathan Rabinowitz**  
Chairman

To: Kentucky Horse Racing Commission  
From: Jennifer Wolsing, General Counsel  
Chad Thompson, Deputy General Counsel  
Date: February 12, 2021  
Re: Emergency and Ordinary Regulations

As this Commission is aware, the Kentucky Supreme Court issued a landmark Opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020). On February 11, 2021, the Kentucky legislature addressed that decision by passing SB 120: An act relating to pari-mutuel wagering and declaring an emergency.

SB 120 authorizes the continuation of HHR wagering in its current form. This bill also changes some important definitions, such as “pari-mutuel wagering,” and “licensed premises.”

As a consequence of the *Family Foundation* Opinion and SB 120, this Commission needs to promulgate emergency and ordinary regulations to address these changes. In brief, the proposed emergency regulations will address truly emergent changes arising out of SB 120. However, the proposed ordinary regulations will address changes that are less emergent, but still necessary and prudent.

Commission staff recommends the following emergency and ordinary regulations:



**Andy Beshear**  
Governor

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Deputy Secretary

**Public Protection Cabinet**  
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4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
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Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
810 KAR 2:001: Definitions for 810 KAR Chapter 2	Change definition of: <ul style="list-style-type: none"> <li>Licensed premises</li> <li>Pari-mutuel wagering</li> <li>Patron (to include "licensed premises")</li> <li>Result (to state that the pools are "pari-mutuel")</li> <li>Simulcasting and Thoroughbred racing (to refer to KRS 230.210 generally)</li> </ul>	These definitional changes will match or assist in interpreting the definitions in SB 120. If our regulatory definition does not match the statutory definition, the KHRC could not regulate HHR wagering in Kentucky. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.	Change definition of: <ul style="list-style-type: none"> <li>Licensed premises</li> <li>Pari-mutuel wagering</li> <li>Patron (to include "licensed premises")</li> <li>Result (to state that the pools are "pari-mutuel")</li> <li>Simulcasting and Thoroughbred racing (to refer to KRS 230.210 generally)</li> </ul> Change the definition of "commission" to match 6:001.





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Governor

**Ray Perry**  
Deputy Secretary

**Public Protection Cabinet**  
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4063 Iron Works Parkway, Building B  
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Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<b>810 KAR 3:001:</b> <b>Definitions for 810 KAR</b> <b>Chapter 3</b>	Change definitions of: <ul style="list-style-type: none"> <li>• Pari-mutuel wagering</li> <li>• Result (to state that the pools are “pari-mutuel”)</li> <li>• Simulcasting (to refer to KRS 230.210 generally)</li> </ul>	These definitional changes will match or assist in interpreting the definitions in SB 120. If our regulatory definition does not match the statutory definition, the KHRC could not regulate HHR wagering in Kentucky. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.	Change definitions of: <ul style="list-style-type: none"> <li>• Pari-mutuel wagering</li> <li>• Result (to state that the pools are “pari-mutuel”)</li> <li>• Simulcasting and Association (to refer to KRS 230.210 generally)</li> </ul> Change the definition of “commission” to match 6:001.



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Governor

**Ray Perry**  
Deputy Secretary

**Public Protection Cabinet**  
**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Telephone: (859) 246-2040  
Fax: (859) 246-2039

**Kerry B. Harvey**  
Secretary

**Marc Guilfoil**  
Executive Director

**Jonathan Rabinowitz**  
Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<p><b>810 KAR 4:001:</b> <b>Definitions for 810</b> <b>KAR Chapter 4</b></p>	<p>Change definition of:</p> <ul style="list-style-type: none"> <li>• Pari-mutuel wagering</li> <li>• Result (to state that the pools are “pari-mutuel”)</li> <li>• Thoroughbred racing (to refer to KRS 230.210 generally)</li> </ul> <p>Alter inaccurate reference to 811 KAR 4:050 in the definition for “Claiming race,” so that it properly reflects reference to 810 KAR 4:050.</p>	<p>These definitional changes will match or assist in interpreting the definitions in SB 120. If our regulatory definition does not match the statutory definition, the KHRC could not regulate HHR wagering in Kentucky. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.</p>	<p>Change definition of:</p> <ul style="list-style-type: none"> <li>• Pari-mutuel wagering</li> <li>• Result (to state that the pools are “pari-mutuel”)</li> <li>• Thoroughbred racing and Association (to refer to KRS 230.210 generally)</li> </ul> <p>Alter inaccurate reference to 811 KAR 4:050 in the definition for “Claiming race,” so that it properly reflects reference to 810 KAR 4:050.</p> <p>Remove references to standardbred concepts, like drivers and judges.</p> <p>Change the definition of “commission” to match 6:001.</p>



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Governor

**Ray Perry**  
Deputy Secretary

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4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Telephone: (859) 246-2040  
Fax: (859) 246-2039

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Secretary

**Marc Guilfoil**  
Executive Director

**Jonathan Rabinowitz**  
Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<p><b>810 KAR 5:001:</b> <b>Definitions for 810</b> <b>KAR Chapter 5</b></p>	<p>Change definition of:</p> <ul style="list-style-type: none"> <li>Licensed premises</li> <li>Pari-mutuel wagering</li> <li>Patron (to include "licensed premises")</li> <li>Result (to state that the pools are "pari-mutuel")</li> <li>Simulcasting (to refer to KRS 230.210 generally)</li> </ul> <p>Changes to ensure that all definitions include standardbred terms.</p> <p>Alter inaccurate reference to thoroughbred racing in the "Necessity, Function, and Conformity," Section so that it properly reflects reference to standardbred racing.</p>	<p>These definitional changes will match or assist in interpreting the definitions in SB 120. If our regulatory definition does not match the statutory definition, the KHRC could not regulate HHR wagering in Kentucky. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.</p>	<p>Change definition of:</p> <ul style="list-style-type: none"> <li>Licensed premises</li> <li>Pari-mutuel wagering</li> <li>Patron (to include "licensed premises")</li> <li>Result (to state that the pools are "pari-mutuel")</li> <li>Simulcasting and Association (to refer to KRS 230.210 generally)</li> </ul> <p>Changes to ensure that all definitions include standardbred terms.</p> <p>Alter inaccurate reference to thoroughbred racing in the "Necessity, Function, and Conformity," Section so that it properly reflects reference to standardbred racing.</p> <p>Remove thoroughbred terms,</p>



**Andy Beshear**  
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Deputy Secretary

**Public Protection Cabinet**  
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Lexington, KY 40511  
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Fax: (859) 246-2039

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**Marc Guilfoil**  
Executive Director

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Chairman

			<p>as this regulation is in a standardbred chapter. Remove redundant language.</p> <p>Change the definition of "commission" to match 6:001.</p>
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Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<p><b>810 KAR 6:001:</b> <b>Definitions for 810 KAR</b> <b>Chapter 6</b></p>	<p>Migrate definitions from KAR Title 811.</p>	<p>The regulation migration began in Sept. 2020, when the KHRC filed ordinary regulations that would migrate the Title 811 regulations over to Title 810. However, due to the Sept. 24, 2020 Family Foundation decision, those regulations were deferred. Due to the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in these regulations. Otherwise, the Title 811 regulations will expire, and pari-mutuel wagering will not be regulated for standardbred racing associations. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.</p>	<p>Migrate definitions from KAR Title 811.</p>
	<p>Change definitions of “licensed premises” and “pari-mutuel wagering” to comply with SB 120.</p>	<p>If our regulatory definition does not match the statutory definition, the KHRC could not regulate HHR wagering in Kentucky. This would cause a loss</p>	<p>Change definitions of “licensed premises” and “pari-mutuel wagering” to comply with SB 120.</p>



**Andy Beshear**  
Governor

**Ray Perry**  
Deputy Secretary

**Public Protection Cabinet**  
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Lexington, KY 40511  
Telephone: (859) 246-2040  
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**Marc Guilfoil**  
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Chairman

	<p>Add or edit the following definitions to assist in interpreting the new “pari-mutuel wagering” definition:</p> <ul style="list-style-type: none"> <li>• Minus pool</li> <li>• Pari-mutuel pool</li> <li>• Patron</li> <li>• Result</li> <li>• Simulcasting</li> <li>• Wagering pool</li> </ul>	<p>of state funds, and would also negatively impact the public welfare by endangering jobs.</p> <p>It is necessary to include various terms that are either contained in, or related to, the new definitions of “pari-mutuel wagering” and “licensed premises.” This will enable the KHRC to enforce its pari-mutuel wagering regulations.</p>	<p>Add or edit the following definitions to assist in interpreting the new “pari-mutuel wagering” definition:</p> <ul style="list-style-type: none"> <li>• Minus pool</li> <li>• Pari-mutuel pool</li> <li>• Patron</li> <li>• Result</li> <li>• Simulcasting</li> <li>• Wagering pool</li> </ul> <p>Edit the definition of the word ‘commission’ to include the term ‘takeout’ as defined in 810 KAR 6:020.</p> <p>Change definition of “initial seed pool” to be permissive, rather than mandatory.</p>
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Governor

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Deputy Secretary

**Public Protection Cabinet**  
**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Telephone: (859) 246-2040  
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			Add definition of "player funded pool."  Remove definition of "seed pool."
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Lexington, KY 40511  
Telephone: (859) 246-2040  
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**Jonathan Rabinowitz**  
Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<b>810 KAR 6:010: Exotic wagering</b>	Change all instances of the singular term “race” to the plural term “races.”	This change is necessary for clarity and compliance with <i>Family Foundation</i> (2020).	Change all instances of the singular term “race” to the plural term “races.”
	Refer to the “pari-mutuel wager,” rather than the “wager.”	This change is necessary for compliance with SB 120.	Refer to the “pari-mutuel wager,” rather than the “wager.”
	Migrate regulations from KAR Title 811.	See migration justification above.	Migrate regulations from KAR Title 811.
			Section 4: Require an association to provide a detailed description of the rules that apply to the trust account and player funded pool or pools, if applicable.





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Deputy Secretary

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Lexington, KY 40511  
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Fax: (859) 246-2039

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Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<b>810 KAR 6:020:</b> Calculation of payouts and distribution of pools	No emergency regulation.		<p>In Section 1, redefine “takeout” as “commission” as set forth in 810 KAR 6:001.</p> <p>Clarify Section 2 to state that it refers only to live horse races.</p> <p>In Section 12(1), clarify that the word “double” refers to the “double <u>pool</u>.”</p>



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Telephone: (859) 246-2040  
Fax: (859) 246-2039

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Secretary

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**Jonathan Rabinowitz**  
Chairman

Regulation	Emergency Changes	Nature of Emergency	Ordinary Changes
<b>810 KAR 6:030: Pari-mutuel wagering</b>	Change all instances of the singular term “race” to the plural term “races.”	This change is necessary for clarity and compliance with <i>Family Foundation</i> (2020).	Change all instances of the singular term “race” to the plural term “races.”
	Migrate regulations from KAR Title 811.	See migration justification above.	Migrate regulations from KAR Title 811.
	Change several instances of the word “pool” to clarify that they are “pari-mutuel pools.”	This change is necessary for compliance with SB 120.	Change several instances of the word “pool” to clarify that they are “pari-mutuel pools.”
	Delete Section 4(2), which states that the association may only pay a winning wager out of the applicable pari-mutuel pool.	This change is necessary for compliance with SB 120.	Delete Section 4(2), which states that the association may only pay a winning wager out of the applicable pari-mutuel pool.
			Reword Section 3(7)(c) for clarification about what occurs when a patron deposits his or her wager in an HHR terminal.
		Reword Section 3(7)(f) for clarification that the terminal shall display the patron’s selections, race results, and a race	



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**Marc Guilfoil**  
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		<p>replay, which could be animated, digital, or a video recording.</p> <p>Reword Section 4 to state that payouts through an initial seed pool are authorized, but not mandatory.</p> <p>Reword Section 4(2) to state that an association may use a player-funded pool to pay patrons in the event of a minus pool.</p> <p>Include Section 4(3), which states that an association may use a trust account to pay for minus pools.</p> <p>Add language in Section 4(4) stating that initial seed pools are voluntary.</p> <p>Clarify Section 11(2) to state that the minimum wager on an HHR race or races is 10 cents.</p> <p>Reword Section 13(3) to state that odds or payouts for</p>
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Deputy Secretary

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Chairman

			each pool shall be made available for viewing and delete the requirement about the 90-second intervals.
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COMMISSION ACTION:

- \_\_\_\_\_ Approve
- \_\_\_\_\_ Deny
- \_\_\_\_\_ Defer

STATEMENT OF EMERGENCY

810 KAR 2:001E

This emergency regulatory amendment is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC”) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear  
Governor

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Kerry B. Harvey, Secretary  
Public Protection Cabinet

1 PUBLIC PROTECTION CABINET

2 KENTUCKY HORSE RACING COMMISSION

3 (Emergency Amendment)

4 810 KAR 2:001E. Definitions for 810 KAR Chapter 2.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky Horse  
8 Racing Commission to regulate conditions under which thoroughbred racing shall be conducted  
9 in Kentucky. KRS 230.260(8) authorizes the commission to prescribe necessary and reasonable  
10 administrative regulations and conditions under which horse racing at a horse race meeting shall  
11 be conducted in this state. This administrative regulation defines the terms used in 810 KAR  
12 Chapter 2.

13 Section 1. Definitions.

14 (1) "Age" means the number of years since a horse was foaled, reckoned as if the horse was  
15 foaled on January 1 of the year in which the horse was foaled.

16 (2) "Arrears" means sums due by a licensee as reflected by his or her account with the  
17 horsemen's bookkeeper, including subscriptions, jockey fees, driver fees, forfeitures, and any  
18 default incident to KAR Title 810.

19 (3) "Association" is defined by KRS 230.210(5).

1 (4) "Authorized agent" means in flat racing a person currently licensed as an agent for a  
2 licensed owner, jockey, or jockey apprentice by virtue of notarized appointment of agency filed  
3 with the commission.

4 (5) "Claiming race" means a race in which ownership of a horse participating in the race  
5 may be transferred in conformity with 810 KAR 4:050 and 810 KAR 5:030.

6 (6) "Closing" means the time published by the association after which entries for a race will  
7 not be accepted by the racing secretary.

8 (7) "Commission" means:

9 (a) The Kentucky Horse Racing Commission if used in the context of the administrative  
10 agency governing horse racing and pari-mutuel wagering; or

11 (b) The amount an association is authorized to withhold from a pari-mutuel wager pursuant  
12 to KRS 230.3615, if used in the context of pari-mutuel wagering.

13 (8) "Conditions" means qualifications that determine a horse's eligibility to be entered in a  
14 race.

15 (9) "Dash" means in standardbred racing a race in a single trial or in a series of two (2) or  
16 three (3) races governed by one (1) entry fee for the series, in which a horse starts in all dashes  
17 with positions drawn for each dash and the number of purse distributions or payouts awarded  
18 exceeds the number of starters in the dash.

19 (10) "Day" means a twenty-four (24) hour period beginning at 12:01 a.m. and ending at  
20 midnight.

21 (11) "Declaration" means:

1 (a) In flat racing, the withdrawal of a horse entered in a race prior to time of closing of  
2 entries for the race in conformance with 810 KAR Chapter 4; or

3 (b) In standardbred racing, the naming of a particular horse as a starter in a particular race.

4 (12) "Disciplinary action" means action taken by the stewards or the commission for a  
5 violation of KRS Chapter 230 or KAR Title 810 and can include:

6 (a) Refusal to issue or renew a license;

7 (b) Revocation or suspension of a license;

8 (c) Imposition of probationary conditions on a license;

9 (d) Issuance of a written reprimand or admonishment;

10 (e) Imposition of fines or penalties;

11 (f) Denial of purse money; or

12 (g) Forfeiture of purse money.

13 (13) "Disqualification" means a ruling of the stewards, judges, or the commission revising  
14 the order of finish of a race.

15 (14) "Draw" means the process of determining post positions by lot.

16 (15) "Driver" means in standardbred racing a person who is licensed to drive a horse in a  
17 race.

18 (16) "Electronic eligibility" means a computer-generated eligibility certificate that records a  
19 horse's racing statistics.

20 (17) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
21 810.



1 (18) "Equipment" means in flat racing accoutrements other than ordinary saddle, girth, pad,  
2 saddle cloth, and bridle carried by a horse, and includes riding crop, blinkers, tongue strap,  
3 muzzle, hood, noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing  
4 plates or shoes.

5 (19) "Extended pari-mutuel meeting" means in standardbred racing a meeting or series of  
6 meetings, at which no agriculture fair is in progress, with an annual total of more than six (6) days  
7 duration and during which pari-mutuel wagering is permitted.

8 (20) "Field" or "mutuel field" means a single betting interest involving more than one (1)  
9 horse that is not a mutuel entry.

10 (21) "Foul" means an action by a jockey or driver that tends to hinder another jockey, driver,  
11 or a horse in the proper running of the race.

12 (22) "Handicap" means in standardbred racing a race in which allowances are made  
13 according to a horse's:

14 (a) Age;

15 (b) Sex;

16 (c) Claiming price; or

17 (d) Performance.

18 (23) "Handicap race" means in flat racing a race in which the weights to be carried by the  
19 horses are assigned by the association handicapper with the intent of equalizing the chances of  
20 winning for all horses entered in the race.

21 (24) "Handle" means the aggregate of all pari-mutuel pools, excluding refundable wagers.

1 (25) "Horse" means an equine irrespective of age or sex designation and registered for  
2 racing with the applicable breed registry.

3 (26) "Ineligible" means a horse or person not qualified under KAR Title 810 or conditions of  
4 a race to participate in a specified racing activity.

5 (27) "Inquiry" means an investigation by the stewards or judges of a contest prior  
6 to declaring the result of the contest official.

7 (28) "Jockey" means a rider currently licensed to ride in races as a jockey, apprentice jockey,  
8 amateur jockey, or a provisional jockey permitted by the stewards to ride in three (3) races prior  
9 to applying for a license.

10 (29) "Judge" means a duly appointed racing official with powers and duties specified in 810  
11 KAR 2:050 serving at a current meeting in the Commonwealth.

12 (30) "Licensed premises" is defined in 810 KAR 6:001.~~means:~~

13 ~~(a) The location and physical plant described in response to question R of the~~  
14 ~~"Commonwealth of Kentucky Initial/Renewal Application for License to Conduct Live Horse~~  
15 ~~Racing, Simulcasting, and Pari-Mutuel Wagering" filed for racing to be conducted in the following~~  
16 ~~year;~~

17 ~~(b) Real property of an association, if the association receives approval from the~~  
18 ~~commission for a new location at which live racing will be conducted; or~~

19 ~~(c) One (1) facility or real property that is:~~

20 ~~1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of~~  
21 ~~the association's track but not contiguous to track premises, upon commission approval; and~~

1 ~~2. For purposes of paragraphs (b) and (c) of this subsection, is not within a sixty (60) mile~~  
2 ~~radius of another licensed track premise where live racing is conducted and not within a forty~~  
3 ~~(40) mile radius of a simulcast facility, unless any affected track or simulcast facility agrees in~~  
4 ~~writing to permit a noncontiguous facility within the protected geographic area.]~~

5 (31) "Licensee" means an individual, firm, association, partnership, corporation, trustee, or  
6 legal representative that has been duly issued a currently valid license to participate in racing in  
7 the Commonwealth.

8 (32) "Meeting" means the entire period of consecutive days, exclusive of dark days, granted  
9 by the commission to a licensed association for the conduct of live horse racing that:

10 (a) Begins at 10 a.m. of the first racing day; and

11 (b) Extends through a period ending one (1) hour after the last scheduled race of the last  
12 day.

13 (33) "Month" means calendar month.

14 (34) "Nomination" means a subscription or entry of a horse in a stakes or early closing race.

15 (35) "Nominator" means the person in whose name a horse is entered for a stakes race.

16 (36) "Objection" means a verbal claim of foul in a race lodged by the horse's jockey, driver,  
17 trainer, or owner before the race is declared official.

18 (37) "Official order of finish" means the order of finish of the horses in a contest as declared  
19 official by the stewards or judges.

20 (38) "Official time" means the elapsed time from the moment the first horse crosses the  
21 timing beam until the first horse crosses the finish line.

1 (39) "Owner" means a person who holds, in whole or in part, any right, title, or interest in  
2 a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as a  
3 person responsible for the horse.

4 (40) "Pari-mutuel wagering", "mutuel wagering", or "pari-mutuel system of wagering" is  
5 defined in 810 KAR 6:001. [~~each means a system or method of wagering approved by the~~  
6 ~~commission in which patrons are wagering among themselves and not against the association~~  
7 ~~and amounts wagered are placed in one (1) or more designated wagering pools and the net pool~~  
8 ~~is returned to the winning patrons.~~]

9 (41) "Patron" means an individual present at a track, a licensed premises, or a simulcast  
10 facility who observes or wagers on a live or historical horse race.

11 (42) "Post" means the starting point of a race.

12 (43) "Post position" means the relative place assigned to each horse, numbered from the  
13 inner rail across the track at the starting line, from which each horse is to start a race.

14 (44) "Post time" means the advertised moment scheduled for the arrival of all horses at the  
15 starting point for a race.

16 (45) "Prize" means the combined total of any cash, premium, trophy, and object of value  
17 awarded to the owners of horses according to order of finish in a race.

18 (46) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
19 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
20 rules, which, if true, would exclude that horse or driver from racing.

21 (47) "Purse" means the gross cash portion of the prize for which a race is run.

1 (48) "Race" means a running contest between horses, ridden by jockeys or driven by drivers  
2 at a recognized meeting, during regular racing hours, for a prize.

3 (49) "Race day" means a period of twenty-four (24) hours beginning at 12:01 a.m. and  
4 ending at midnight in which live racing is conducted by an association.

5 (50) "Racing official" means a racing commission member, commission staff as duties  
6 require, and all association racing department employees, as duties require.

7 (51) "Registration certificate" means the document, racing permit, or virtual certificate  
8 issued by the appropriate breed registry identifying the horse for racing.

9 (52) "Result" means the part of the official order of finish in a race used to determine the  
10 pari-mutuel payoff of pari-mutuel pools.

11 (53) "Rulings" means determinations, decisions, or orders of the stewards, judges, or of the  
12 commission duly issued in writing and posted.

13 (54) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
14 of entries for the race in conformance with KAR Title 810.

15 (55) "Scratch time" means the time set by the racing secretary as a deadline for horsemen  
16 to indicate their desire to scratch out of a race.

17 (56) "Simulcasting" is defined by KRS 230.210~~[(19)]~~.

18 (57) "Starter" means:

19 (a) An official who dispatches the horses from the starting gate; or

20 (b) A horse in a race when the starting gate doors open in front of it at the moment the  
21 starter dispatches the horses for the race.

1 (58) "Steward" means a duly appointed racing official with powers and duties specified in  
2 810 KAR 2:040 serving at a current meeting in the Commonwealth.

3 (59) "Subscription" means nomination or entry of a horse in a stakes race.

4 (60) "Suspended" means withdrawal by the steward, judge, or commission of racing  
5 privileges.

6 (61) "Thoroughbred racing" is defined by KRS 230.210[~~(21)~~].

7 (62) "Totalizator" means the system, including hardware, software, communications  
8 equipment, and electronic devices that accepts and processes the cashing of wagers, calculates  
9 the odds and prices of the wagers, and records, displays, and stores pari-mutuel wagering  
10 information.

11 (63) "Year" means twelve (12) consecutive months beginning with January and ending with  
12 December.

810 KAR 2:001E  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 a.m. on April 22, 2021 at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)



## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 2:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 2.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 2 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 2.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 2.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definitions of "licensed premises" and "pari-mutuel wagering, mutuel wagering, or pari-mutuel system of wagering," so that they cross-reference the definitions for those terms found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the eight currently-licensed racing associations in the Commonwealth and any applicant for a racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 2:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

STATEMENT OF EMERGENCY  
810 KAR 3:001E

This emergency regulatory amendment is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC”) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear  
Governor

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Kerry B. Harvey, Secretary  
Public Protection Cabinet

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Emergency Amendment)

4 810 KAR 3:001E. Definitions for 810 KAR Chapter 3.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) grants the commission the  
8 authority to regulate conditions under which horse racing is conducted in Kentucky. KRS  
9 230.260(8) grants the commission the authority to prescribe necessary and reasonable  
10 administrative regulations and conditions under which horse racing at a horse race meeting shall  
11 be conducted in this state. This administrative regulation defines the terms used in 810 KAR  
12 Chapter 3.

13 Section 1. Definitions.

14 (1) "Age" means the number of years since a horse was foaled, reckoned as if the horse  
15 was foaled on January 1 of the year in which the horse was foaled.

16 (2) "Allowance race" means a race in which contestants receive weight allowance based  
17 on performance or winnings as stipulated in the conditions of the race.

18 (3) "ARCI" means the Association of Racing Commissioners International.

19 (4) "Association" is defined by KRS 230.210(5).

1 (5) "Authorized agent" means in flat racing any person currently licensed as an agent for  
2 a licensed owner, jockey, or jockey apprentice by virtue of notarized appointment of agency filed  
3 with the commission.

4 (6) "Claiming race" means a race in which ownership of a horse participating in the race  
5 may be transferred in conformity with 810 KAR 4:050 and 810 KAR 5:030

6 (7) "Commission" means:

7 (a) The Kentucky Horse Racing Commission as defined by KRS 230.210~~[(16)]~~ if used in the  
8 context of the administrative agency governing horse racing and parimutuel wagering; or

9 (b) The amount an association is authorized to withhold from a parimutuel wager  
10 pursuant to KRS 230.3615, if used in the context of parimutuel wagering.

11 (8) "Conditions" means qualifications that determine a horse's eligibility to be entered in  
12 a race.

13 (9) "Coupled entry" means two (2) or more horses in a race that are treated as a single  
14 betting interest for parimutuel wagering purposes.

15 (10) "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and ending  
16 at midnight.

17 (11) "Directive" means an official order issued by the commission or the executive  
18 director.

19 (12) "Draw" means the process of determining post positions by lot.

20 (13) "Driver" means in standardbred racing a person who is licensed to drive a horse in a  
21 race.



1           (14) "Early closing race" means in standardbred racing a race for a definite amount of  
2 money in which entries close at least six (6) weeks prior to the race.

3           (15) "Electronic eligibility" means a computer-generated eligibility certificate that records  
4 a horse's racing statistics.

5           (16) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
6 810.

7           (17) "Equipment" means in flat racing accoutrements other than ordinary saddle, girth,  
8 pad, saddle cloth, and bridle carried by a horse, and includes whip, blinkers, tongue strap, muzzle,  
9 hood, noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing plates or  
10 shoes.

11           (18) "Horse" means any equine irrespective of age or sex designation and registered for  
12 racing with the applicable breed registry.

13           (19) "Ineligible" means a horse or person not qualified under KAR Title 810 or conditions  
14 of a race to participate in a specified racing activity.

15           (20) "Jockey" means a rider currently licensed to ride in races as a jockey, apprentice  
16 jockey, amateur jockey, or a provisional jockey permitted by the stewards to ride in three (3)  
17 races prior to applying for a license.

18           (21) "Judge" means a duly appointed racing official with powers and duties specified in  
19 810 KAR 2:050 serving at a current meeting in the Commonwealth.

20           (22) "Lessee" means a licensed owner whose interest in a horse is a leasehold.

1 (23) "Licensee" means an individual, firm, association, partnership, corporation, limited  
2 liability company, trustee, or legal representative that has been duly issued a currently valid  
3 license to participate in racing in the Commonwealth.

4 (24) "Meeting" means the entire period of consecutive days, exclusive of dark days,  
5 granted by the commission to a licensed association for the conduct of live horse racing. A  
6 meeting shall begin at 10 a.m. of the first racing day and extend through a period ending one (1)  
7 hour after the last scheduled race of the last day.

8 (25) "Mutuel entry" means a single betting interest involving two (2) or more horses  
9 entered in the same race and joined for parimutuel purposes because of common ties as to  
10 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
11 horses joined in the same mutuel entry.

12 (26) "Nominal change in ownership" means the sale, pledge, encumbrance, execution of  
13 an option agreement, or any other transfer of less than five (5) percent of the equity securities  
14 or other ownership interest of a partnership, association, corporation, limited liability company,  
15 or other legal entity holding a license issued by the commission.

16 (27) "Owner" means any person who holds, in whole or in part, any right, title, or interest  
17 in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as  
18 a person responsible for the horse.

19 (28) "Parimutuel wagering," "mutuel wagering", or "parimutuel system of wagering" is  
20 defined in 810 KAR 6:001. ~~[each means a system or method of wagering approved by the~~  
21 ~~commission in which patrons are wagering among themselves and not against the association~~

1 and amounts wagered are placed in one (1) or more designated wagering pools and the net pool  
2 is returned to the winning patrons.]

3 (29) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
4 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
5 rules which, if true, would exclude that horse or driver from racing.

6 (30) "Purse" means the gross cash portion of the prize for which a race is run.

7 (31) "Race" means a running contest between horses ridden by jockeys or driven by  
8 drivers at a recognized meeting, during regular racing hours, for a prize.

9 (32) "Racing official" means a racing commission member, commission staff, as duties  
10 require, and all association racing department employees, as duties require.

11 (33) "Result" means the part of the official order of finish in a race used to determine the  
12 parimutuel payoff of pari-mutuel pools.

13 (34) "Ruled off" means denial of entrance to premises of any association under  
14 jurisdiction of the commission.

15 (35) "Rulings" means all determinations, decisions, or orders of the stewards or of the  
16 commission duly issued in writing and posted.

17 (36) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
18 of entries for the race.

19 (37) "Simulcasting" is defined by KRS 230.210~~[(19)]~~.

20 (38) "Steward" means a duly appointed racing official with powers and duties specified in  
21 810 KAR 2:040 serving at a current meeting in the Commonwealth.

1 (39) "Substantial change in ownership" means the sale, pledge, encumbrance, execution  
2 of an option agreement, or any other transfer of five (5) percent or more of the equity securities  
3 or other ownership interest of a partnership, association, corporation, limited liability company,  
4 or other legal entity holding a license issued by the commission.

5 (40) "Suspended" means withdrawal of racing privileges by the stewards or commission.

6 (41) "Totalizator" means the system, including hardware, software, communications  
7 equipment, and electronic devices, that accepts and processes the cashing of wagers, calculates  
8 the odds and prices of the wagers, and records, displays, and stores parimutuel wagering  
9 information.

10 (42) "USTA" means the United States Trotting Association.

11 (43) "Workout" means in flat racing the training exercise of a horse on the training track  
12 or main track of an association during which the horse is timed for speed over a specified  
13 distance.

14 (44) "Year" means twelve (12) consecutive months beginning with January and ending  
15 with December.

810 KAR 3:001E  
READ AND APPROVED:

---

Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

---

Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at April 22, 2021 at 9:00 AM at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511 via Zoom. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [Jennifer.wolsing@ky.gov](mailto:Jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 3:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: Jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 3.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 3 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 3.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 3.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definition of "pari-mutuel wagering, mutuel wagering, or pari-mutuel system of wagering," so that it cross-references the definition for that term found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the eight currently-licensed racing associations in the Commonwealth and any applicant for a racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.



(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 3:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: Jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

STATEMENT OF EMERGENCY  
810 KAR 4:001E

This emergency regulatory amendment is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC”) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear, Governor

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Kerry B. Harvey, Secretary Public Protection Cabinet

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Emergency Amendment)

4 810 KAR 4:001E. Definitions for 810 KAR Chapter 4.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215, 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) grants the commission the  
8 authority to regulate conditions under which thoroughbred racing shall be conducted in  
9 Kentucky. KRS 230.260(8) grants the commission the authority to prescribe necessary and  
10 reasonable administrative regulations and conditions under which horse racing at a horse race  
11 meeting shall be conducted in this state. This administrative regulation defines the terms used in  
12 810 KAR Chapter 4.

13 Section 1. Definitions.

14 (1) "Added money" means the amount of money, exclusive of trophy, added into a stakes  
15 race by an association, a sponsor, a state-bred program, or other fund, and that is in addition to  
16 stakes fees paid by subscribers.

17 (2) "Age" means the number of years since a horse was foaled, reckoned as if the horse  
18 was foaled on January 1 of the year in which the horse was foaled.

19 (3) "Allowance race" means a race in which contestants receive weight allowance based  
20 on performance or winnings as stipulated in the conditions of the race.

1 (4) "Also eligible" means in flat racing an eligible horse, properly entered, which is not  
2 drawn for inclusion in a race, but which becomes eligible according to preference or lot if another  
3 horse is scratched prior to the scratch time deadline.

4 (5) "Appeal" means a request for the commission to investigate, consider, and review any  
5 decision or ruling of a steward or judge or official of a meeting.

6 (6) "Arrears" means all sums due by a licensee as reflected by his or her account with the  
7 horsemen's bookkeeper, including subscriptions, jockey fees, driver fees, forfeitures, and any  
8 default incident to KAR Title 810.

9 (7) "Association" is defined by KRS 230.210(5).

10 (8) "Authorized agent" means in flat racing any person currently licensed as an agent for  
11 a licensed owner, jockey, or jockey apprentice by virtue of notarized appointment of agency filed  
12 with the commission.

13 (9) "Calendar days" means consecutive days counted irrespective of number of racing  
14 days.

15 (10) "Claiming race" means a race in which ownership of a horse participating in the race  
16 may be transferred in conformity with 810[1] KAR 4:050.

17 (11) "Closing" means the time published by the association after which entries for a race  
18 are not accepted by the racing secretary.

19 (12) "Coggins test" means a blood test used to determine if a horse is positive for Equine  
20 Infectious Anemia.

21 (13) "Commission" means:

1 (a) The Kentucky Horse Racing Commission (formerly known as the Kentucky Horse Racing  
2 Authority if used in the context of the administrative agency governing horse racing and  
3 parimutuel wagering; and

4 (b) The amount an association is authorized to withhold from a parimutuel wager  
5 pursuant to KRS 230.3615, if used in the context of parimutuel wagering.

6 (14) "Conditions" means qualifications that determine a horse's eligibility to be entered  
7 in a race.

8 (15) "Coupled entry" means two (2) or more horses in a race that are treated as a single  
9 betting interest for parimutuel wagering purposes.

10 (16) "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and ending  
11 at midnight.

12 (17) "Declaration" means in flat racing the withdrawal of a horse entered in a race prior  
13 to time of closing of entries for the race in conformance with 810 KAR 4:030.

14 (18) "Directive" means an official order issued by the commission or the executive  
15 director.

16 (19) "Disciplinary action" means action taken by the stewards or the commission for a  
17 violation of KRS Chapter 230 or KAR Title 810 and can include:

18 (a) Refusal to issue or renew a license;

19 (b) Revocation or suspension of a license;

20 (c) Imposition of probationary conditions on a license;

21 (d) Issuance of a written reprimand or admonishment;

22 (e) Imposition of fines or penalties;

1 (f) Denial of purse money;

2 (g) Forfeiture of purse money; or

3 (h) Any combination of paragraphs (a) through (g) of this subsection.

4 (20) "Disqualification" means a ruling of the stewards, judges, or the commission revising  
5 the order of finish of a race.

6 (21) "Draw" means the process of determining post positions by lot.

7 (22) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
8 810.

9 (23) "Equipment" means in flat racing accoutrements other than ordinary saddle, girth,  
10 pad, saddle cloth, and bridle carried by a horse, and includes riding crop], blinkers, tongue strap,  
11 muzzle, hood, noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing  
12 plates or shoes.

13 (24) "Field" or "mutuel field" means a single betting interest, which is not a mutuel entry,  
14 involving more than one (1) horse.

15 (25) "Forfeit" means money due by a licensee because of an error, fault, neglect of duty,  
16 breach of contract, or alternative ruling of the stewards, judges, or the commission.

17 (26) "Foul" means any action by any jockey or driver that tends to hinder another jockey  
18 or any horse in the proper running of the race.

19 (27) "Handicap race" means in flat racing a race in which the weights to be carried by the  
20 horses are assigned by the association handicapper with the intent of equalizing the chances of  
21 winning for all horses entered in the race.



1 (28) "Horse" means any equine irrespective of age or sex designation and registered for  
2 racing with the applicable breed registry.

3 (29) "Ineligible" means a horse or person not qualified under Title 810 KAR or conditions  
4 of a race to participate in a specified racing activity.

5 (30) "Inquiry" means an investigation by the stewards or judges of a contest prior to  
6 declaring the result of the contest official.

7 (31) "Jockey" means a rider currently licensed to ride in races as a jockey, apprentice  
8 jockey, amateur jockey, or a provisional jockey permitted by the stewards to ride in three (3)  
9 races prior to applying for a license.

10 (32) "Lessee" means a licensed owner whose interest in a horse is a leasehold.

11 (33) "Licensee" means an individual, firm, association, partnership, corporation, trustee,  
12 or legal representative that has been duly issued a currently valid license to participate in racing  
13 in the Commonwealth.

14 (34) "Maiden" means in flat racing, a horse that has never won a race at a recognized  
15 meeting in any country.

16 (35) "Meeting" means the entire period of consecutive days, exclusive of dark days,  
17 granted by the commission to a licensed association for the conduct of live horse racing. A  
18 meeting begins at 10 a.m. of the first racing day and extend through a period ending one (1) hour  
19 after the last scheduled race of the last day.

20 (36) "Month" means calendar month.

21 (37) "Mutuel entry" means a single betting interest involving two (2) or more horses  
22 entered in the same race and joined for parimutuel purposes because of common ties as to

1 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
2 horses joined in the same mutuel entry.

3 (38) "Nominator" means the person in whose name a horse is entered for a stakes race.

4 (39) "Objection" means a verbal claim of foul in a race lodged by the horse's jockey, driver,  
5 trainer, or owner before the race is declared official.

6 (40) "Official order of finish" means the order of finish of the horses in a contest as  
7 declared official by the stewards or judges.

8 (41) "Official time" means the elapsed time from the moment the first horse crosses the  
9 timing beam until the first horse crosses the finish line.

10 (42) "Owner" means any person who holds, in whole or in part, any right, title, or interest  
11 in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as  
12 a person responsible for the horse.

13 (43) "Parimutuel wagering", "mutuel wagering", or "parimutuel system of wagering" is  
14 defined in 810 KAR 6:001. [~~each means a system or method of wagering approved by the~~  
15 ~~commission in which patrons are wagering among themselves and not against the association~~  
16 ~~and amounts wagered are placed in one (1) or more designated wagering pools and the net pool~~  
17 ~~is returned to the winning patrons.~~]

18 (44) "Post" means the starting point of a race.

19 (45) "Post position" means the relative place assigned to each horse, numbered from the  
20 inner rail across the track at the starting line, from which each horse is to start a race.

21 (46) "Post time" means the advertised moment scheduled for the arrival of all horses at  
22 the starting point for a race.

1 (47) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
2 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
3 rules, which, if true, would exclude that horse or driver from racing.

4 (48) "Purse" means the gross cash portion of the prize for which a race is run.

5 (49) "Purse race" means any race for which entries close at a time designated by the racing  
6 secretary, and for which owners of horses entered are not required by its conditions to contribute  
7 money toward its purse.

8 (50) "Race" means a running contest between horses,,, ridden by jockeys or driven by  
9 drivers at a recognized meeting, during regular racing hours, for a prize.

10 (51) "Race day" means any period of twenty-four (24) hours beginning at 12:01 a.m. and  
11 ending at midnight in which live racing is conducted by an association.

12 (52) "Racing official" means a racing commission member, commission staff, as duties  
13 require, and all association racing department employees, as duties require.

14 (53) "Recognized meeting" means any meeting with regularly scheduled live horse races,  
15 licensed by and conducted under administrative regulations promulgated by a governmental  
16 regulatory body, and conducted with the applicable breed registry.

17 (54) "Registration certificate" means the document, racing permit, or virtual certificate  
18 issued by the appropriate breed registry identifying the horse for racing.

19 (55) "Result" means the part of the official order of finish in a race used to determine the  
20 parimutuel payoff of pari-mutuel pools.

21 (56) "Rulings" means all determinations, decisions, or orders of the stewards or of the  
22 commission duly issued in writing and posted.

1 (57) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
2 of entries for the race.

3 (58) "Scratch time" means the time set by the racing secretary as a deadline for horsemen  
4 to indicate their desire to scratch out of a race.

5 (59) "Specimen" means a sample of blood, urine, or other biologic sample taken or drawn  
6 from a horse for chemical testing.

7 (60) "Stakes" mean all fees paid by subscribers to an added-money or stakes race for  
8 nominating, eligibility, entrance, or starting, as required by the conditions of the race, with the  
9 fees to be included in the purse.

10 (61) "Stakes race" means a race that closes more than seventy-two (72) hours in advance  
11 of its running and for which subscribers contribute money towards its purse

12 (62) "Starter" means either:

13 (a) An official who dispatches the horses from the starting gate; or

14 (b) A horse in a race when the starting gate doors open in front of it at the moment the  
15 starter dispatches the horses for the race.

16 (63) "Steward" means a duly appointed racing official with powers and duties established  
17 in 810 KAR 2:040 serving at a current meeting in the Commonwealth.

18 (64) "Subscription" means nomination or entry of a horse in a stakes race.

19 (65) "Suspended" means withdrawal of racing privileges by the stewards or commission.

20 (66) "Thoroughbred racing" is defined by KRS 230.210[~~(21)~~].

21 (67) "Tote" or "tote board" means the totalizator.

22 (68) "Unplaced" means a horse that finishes a race outside the parimutuel payoff.

1           (69) "Walkover" means a race in which the only starter or all starters represent single  
2 ownership.

3           (70) "Weigh in" means in flat racing the presentation of a jockey to the clerk of scales for  
4 weighing after a race.

5           (71) "Weigh out" means in flat racing the presentation of a jockey to the clerk of scales  
6 for weighing prior to a race.

810 KAR 4:001E  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at April 22, 2021 at 9:00 AM at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511 via Zoom. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 4:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 4.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 4 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 4.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 4.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definition of "pari-mutuel wagering, mutuel wagering, or pari-mutuel system of wagering," so that it cross-references the definition for that term found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.



(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the five currently-licensed thoroughbred racing associations in the Commonwealth and any applicant for a thoroughbred, flat, and/or steeplechase racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 4:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

STATEMENT OF EMERGENCY

810 KAR 5:001E

This emergency regulatory amendment is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear  
Governor

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Kerry B. Harvey, Secretary  
Public Protection Cabinet

1 PUBLIC PROTECTION CABINET

2 KENTUCKY HORSE RACING COMMISSION

3 (Emergency Amendment)

4 810 KAR 5:001E. Definitions for 810 KAR Chapter 5.

5 RELATES TO: KRS 230.210, 230.215, 230.260, 230.3615

6 STATUTORY AUTHORITY: KRS 230.215, 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky Horse  
8 Racing Commission to promulgate administrative regulations establishing conditions under  
9 which standardbred [~~thoroughbred~~] racing shall be conducted in Kentucky. KRS 230.260(8)  
10 authorizes the commission to promulgate necessary and reasonable administrative regulations  
11 establishing conditions under which horse racing at a horse race meeting shall be conducted in  
12 this state. This administrative regulation defines the terms used in 810 KAR Chapter 5.

13 Section 1. Definitions.

14 (1) "Added money" means the amount of money, exclusive of trophy, added into a stakes  
15 race by an association, a sponsor, a state-bred program, or other fund, and which is in addition  
16 to stakes fees paid by subscribers.

17 (2) "Age" means the number of years since a horse was foaled, reckoned as if the horse was  
18 foaled on January 1 of the year in which the horse was foaled.

19 (3) "Also eligible" means in standardbred racing:

1 (a) An eligible horse, properly entered, which is not drawn for inclusion in a race, but which  
2 becomes eligible according to preference or lot if another horse is scratched prior to the scratch  
3 time deadline; or

4 (b) The next preferred nonqualifier for the finals, or consolation from a set of elimination  
5 trials, which becomes eligible if a finalist is scratched by the judges for a rule violation, or is  
6 otherwise eligible if written race conditions permit.

7 (4) "Appeal" means a request for the commission to investigate, consider, and review any  
8 decision or ruling of a steward, judge, or official of a meeting.

9 (5) "ARCI" means the Association of Racing Commissioners International.

10 (6) "Association" is defined by KRS 230.210(5).

11 (7) "Claiming race" means a race in which ownership of a horse participating in the race  
12 may be transferred in conformity with 810 KAR 5:030.

13 (8) "Closing" means the time published by the association after which entries for a race will  
14 not be accepted by the racing secretary.

15 (9) "Coggins test" means a blood test used to determine if a horse is positive for Equine  
16 Infectious Anemia.

17 (10) "Commission" means:

18 (a) The Kentucky Horse Racing Commission if used in the context of the administrative  
19 agency governing horse racing and pari-mutuel wagering; or

20 (b) The amount an association is authorized to withhold from a pari-mutuel wager pursuant  
21 to KRS 230.3615, if used in the context of pari-mutuel wagering.

1 (11) "Condition race" means an overnight race in which eligibility is determined according  
2 to specified conditions, which may include the following:

- 3 (a) Age;
- 4 (b) Sex;
- 5 (c) Earnings;
- 6 (d) Number of starts; or
- 7 (e) Positions of finishes.

8 (12) "Conditions" means qualifications that determine a horse's eligibility to be entered in  
9 a race.

10 (13) "Coupled entry" means two (2) or more horses in a race that are treated as a single  
11 betting interest for pari-mutuel wagering purposes.

12 (14) "Dash" means in standardbred racing a race in a single trial or in a series of two (2) or  
13 three (3) races governed by one (1) entry fee for the series, in which:

- 14 (a) A horse starts in all races with positions drawn for each race; and
- 15 (b) The number of purse distributions or payouts awarded does exceed the number of  
16 starters in the race.

17 (15) "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and ending at  
18 midnight.

19 (16) "Declaration" means in standardbred racing the naming of a particular horse as a  
20 starter in a particular race.

21 (17) "Disqualification" means a ruling of the stewards, judges, or the commission revising  
22 the order of finish of a race.



1 (18) "Draw" means the process of determining post positions by lot.

2 (19) "Driver" means in standardbred racing a person who is licensed to drive a horse in a  
3 race.

4 (20) "Early closing race" means in standardbred racing a race for a definite amount of  
5 money in which entries close at least six (6) weeks prior to the race.

6 (21) "Electronic eligibility" means a computer-generated eligibility certificate that records a  
7 horse's racing statistics.

8 (22) "Elimination heat" means in standardbred racing an individual heat of a race in which  
9 the contestants qualify for a final heat.

10 (23) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
11 810.

12 (24) "Extended pari-mutuel meeting" means in standardbred racing a meeting or series of  
13 meetings:

14 (a) At which no agriculture fair is in progress;

15 (b) With an annual total of more than six (6) days duration; and

16 (c) During which pari-mutuel wagering is permitted.

17 (25) "Field" or "mutuel field" means a single betting interest involving more than one (1)  
18 horse that is not a mutuel entry.

19 (26) "Forfeit" means money due by a licensee because of an error, fault, neglect of duty,  
20 breach of contract, or alternative ruling of the stewards, judges, or the commission.

21 (27) "Foul" means any action by any jockey or driver that tends to hinder another jockey,  
22 driver or any horse in the proper running of the race.

1 (28) "Futurity" means in standardbred racing a stake in which the dam of the competing  
2 animal is nominated either when in foal or during the year of foaling.

3 (29) "Handicap" means in standardbred racing a race in which allowances are made  
4 according to a horse's:

5 (a) Age;

6 (b) Sex;

7 (c) Claiming price; or

8 (d) Performance.

9 (30) "Horse" means any equine registered for racing with the applicable breed registry,  
10 irrespective of age or sex designation.

11 (31) "Ineligible" means a horse or person not qualified under Title 810 KAR or conditions of  
12 a race to participate in a specified racing activity.

13 (32) "In harness" means, in standardbred racing, that the performance will be to a sulky.

14 (33) "Judge" means a duly appointed racing official with powers and duties specified in 810  
15 KAR 2:050 serving at a current meeting in the Commonwealth.

16 (34) "Late closing race" means in standardbred racing a race for a fixed amount of money  
17 in which entries close less than six (6) weeks but more than three (3) days before the race is to  
18 be contested.

19 (35) "Lessee" means a licensed owner whose interest in a horse is a leasehold.

20 (36) "Licensed premises" is defined in 810 KAR 6:001. ~~means:~~

21 ~~(a) The location and physical plant described in response to question 5 of the~~  
22 ~~"Commonwealth of Kentucky Initial/Renewal Application for License to Conduct Live Horse~~

1 ~~Racing, Simulcasting, and Pari-Mutuel Wagering" filed for racing to be conducted in the following~~  
2 ~~year;~~

3 ~~— (b) Real property of an association, if the association receives approval from the~~  
4 ~~commission for a new location at which live racing will be conducted; or~~

5 ~~— (c) One (1) facility or real property that is:~~

6 ~~— 1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of~~  
7 ~~the association's track but not contiguous to track premises, upon commission approval; and~~

8 ~~— 2. For purposes of paragraphs (b) and (c) of this subsection, is not within a sixty (60) mile~~  
9 ~~radius of another licensed track premises where live racing is conducted and not within a forty~~  
10 ~~(40) mile radius of a simulcast facility, unless any affected track or simulcast facility agrees in~~  
11 ~~writing to permit a noncontiguous facility within the protected geographic area.]~~

12 (37) "Licensee" means an individual, firm, association, partnership, corporation, trustee, or  
13 legal representative that has been duly issued a currently valid license to participate in racing in  
14 the Commonwealth.

15 (38) "Meeting" means the entire period of consecutive days, exclusive of dark days, granted  
16 by the commission to a licensed association for the conduct of live horse racing that:

17 (a) Begins at 10 a.m. of the first racing day; and

18 (b) Extends through a period ending one (1) hour after the last scheduled race of the last  
19 day.

20 (39) "Month" means calendar month.

21 (40) "Mutuel entry" means a single betting interest involving two (2) or more horses  
22 entered in the same race and joined for pari-mutuel purposes because of common ties as to

1 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
2 horses joined in the same mutuel entry.

3 (41) "Nomination" means a subscription or entry of a horse in a stakes or early closing race.

4 (42) "Nominator" means the person in whose name a horse is entered for a stakes race.

5 (43) "Objection" means a verbal claim of foul in a race lodged by the horse's jockey, driver,  
6 trainer, or owner before the race is declared official.

7 (44) "Official time" means the elapsed time from the moment the first horse crosses the  
8 timing beam until the first horse crosses the finish line.

9 (45) "Overnight race" means a contest for which entries close at a time set by the racing  
10 secretary.

11 (46) "Owner" means any person who holds, in whole or in part, any right, title, or interest  
12 in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as  
13 a person responsible for the horse.

14 (47) "Pari-mutuel wagering," "mutuel wagering", or "pari-mutuel system of wagering" is  
15 defined in 810 KAR 6:001. [~~each means a system or method of wagering approved by the~~  
16 ~~commission in which patrons are wagering among themselves and not against the association~~  
17 ~~and amounts wagered are placed in one (1) or more designated wagering pools and the net pool~~  
18 ~~is returned to the winning patrons.~~]

19 (48) "Patron" means an individual present at a track, a licensed premises, or a simulcast  
20 facility who observes or wagers on a live or historical horse race.

21 (49) "Post" means the starting point of a race.

1 (50) "Post position" means the relative place assigned to each horse, numbered from the  
2 inner rail across the track at the starting line, from which each horse is to start a race.

3 (51) "Post time" means the advertised moment scheduled for the arrival of all horses at the  
4 starting point for a race.

5 (52) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
6 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
7 rules which, if true, would exclude that horse or driver from racing.

8 (53) "Purse" means the gross cash portion of the prize for which a race is run.

9 (54) "Purse race" means any race for which entries close at a time designated by the racing  
10 secretary, and for which owners of horses entered are not required by its conditions to contribute  
11 money toward its purse.

12 (55) "Race" means a running contest between horses, ridden by jockeys or driven by drivers  
13 at a recognized meeting, during regular racing hours, for a prize.

14 (56) "Race day" means any period of twenty-four (24) hours beginning at 12:01 a.m. and  
15 ending at midnight in which live racing is conducted by an association.

16 (57) "Racing official" means a racing commission member, commission staff, as duties  
17 require, and all association racing department employees, as duties require.

18 (58) "Registration certificate" means the document, racing permit, or virtual certificate  
19 issued by the appropriate breed registry identifying the horse for racing.

20 (59) "Result" means the part of the official order of finish in a race used to determine the  
21 pari-mutuel payoff of pari-mutuel pools.

1 (60) "Rulings" means all determinations, decisions, or orders of the judges, [stewards] or of  
2 the commission issued in writing and posted.

3 (61) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
4 of entries for the race in conformance with Title 810 KAR.

5 (62) "Scratch time" means the time set by the racing secretary as a deadline for horsemen  
6 to indicate their desire to scratch out of a race.

7 (63) "Simulcasting" is defined by KRS 230.210[~~(19)~~].

8 (64) "Stable name" means in standardbred racing a name used other than the actual legal  
9 name of an owner or lessee and which has been registered with the United States Trotting  
10 Association.

11 (65) "Stake" means in standardbred racing a race which will be contested in a year  
12 subsequent to its closing:

13 (a) In which the money given by the association conducting the race is added to the money  
14 contributed by the nominators, all of which, except deductions for breeders or nominator's  
15 awards, belongs to the winner or winners; and

16 (b) In which, except as provided in 810 KAR 5:050, Section 6, all of the money contributed  
17 by the nominators belongs to the winner or winners.

18 (66) "Stakes" mean all fees:

19 (a) Paid by subscribers to an added-money or stakes race for nominating, eligibility,  
20 entrance, or starting, as required by the conditions of the race; and

21 (b) Included in the purse.

22 (67) "Starter" means either:

1 (a) An official who dispatches the horses from the starting gate; or

2 (b) A horse in a race when the starting gate doors open in front of it at the moment the  
3 starter dispatches the horses for the race.

4 (68) "Subscription" means nomination or entry of a horse in a stakes race.

5 (69) "Sulky" means a dual-wheel racing vehicle with dual shafts not exceeding the height of  
6 the horse's withers.

7 (70) "Suspended" means withdrawal of racing privileges by the judges or commission.

8 (71) "USTA" means the United States Trotting Association.

9 (72) "Year" means twelve (12) consecutive months beginning with January and ending with  
10 December.

810 KAR 5:001E  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet



## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 a.m. on April 22, 2021, at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 5:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 5.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 5 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 5.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 5.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definitions of "licensed premises" and "pari-mutuel wagering, mutuel wagering or pari-mutuel system of wagering," so that they cross-reference the definitions for those terms found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear, thereby reducing the possibility of any confusion.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the three currently-licensed standardbred racing associations in the Commonwealth and any applicant for a standardbred racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 5:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

STATEMENT OF EMERGENCY

810 KAR 6:001E

This emergency regulatory amendment is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC”) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear  
Governor

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Kerry B. Harvey, Secretary  
Public Protection Cabinet

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Emergency Amendment)

4 810 KAR 6:001E. Definitions for 810 KAR Chapter 6.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215(2), ~~[230.225(5),]~~ 230.260(8), 230.361(1), 230.370

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky Horse  
8 Racing Commission to regulate conditions under which horse~~[thoroughbred]~~ racing shall be  
9 conducted in Kentucky. KRS 230.260(8) authorizes the commission to prescribe necessary and  
10 reasonable administrative regulations and conditions under which horse racing at a horse race  
11 meeting shall be conducted in this state. KRS 230.361(1) requires the commission to promulgate  
12 administrative regulations governing and regulating pari-mutuel ~~[mutuel]~~ wagering on horse  
13 races under the pari-mutuel system of wagering. This administrative regulation defines the terms  
14 used in 810 KAR Chapter 6~~[4]~~.

15 Section 1. Definitions.

16 (1) "Added money" means cash, exclusive of trophy or other award, added by the  
17 association to stakes fees paid by subscribers to form the total purse for a stakes race.

18 (2) "Age" means the number of years since a horse was foaled, reckoned as if the horse was  
19 foaled on January 1 of the year in which the horse was foaled.



1           (3) "Appaloosa horse" means a horse duly registered with the Appaloosa Horse Club, Inc.,  
2 Moscow, Idaho.

3           (4) "Appaloosa racing" is defined by KRS 230.210(3).

4           (5) "Arabian horse" means a horse duly registered with the Arabian Horse Club Registry of  
5 America.

6           (6)[(3)] "Arrears" means all sums due by a licensee as reflected by his or her account with  
7 the horsemen's bookkeeper, including subscriptions, jockey fees, forfeitures, and any default  
8 incident to 810 KAR Chapter 6[1].

9           (7)[(4)] "Association" is defined by KRS 230.210(5).

10           (8)[(5)] "Authorized agent" means any person currently licensed as an agent for a licensed  
11 owner or jockey by virtue of notarized appointment of agency filed with the commission.

12           (9)[(6)] "Betting interest" means a single horse, or more than one (1) horse joined as a  
13 mutuel entry or joined in a mutuel field, on which a single pari-mutuel wager may be placed.

14           (10)[(7)] "Bleeder" means any horse known to have bled internally or from its nostrils during  
15 a workout or race.

16           (11) [(8)] "Breakage" means the net pool minus payout.

17           (12) [(9)] "Breeder" means the owner of the dam of a horse when the horse was foaled. A  
18 horse is "bred" at the place of its foaling.

19           (13)[(10)] "Calendar days" means consecutive days counted irrespective of number of  
20 racing days.

21           (14) [(11)] "Carryover" means nondistributed pool monies which are retained and added  
22 to a corresponding pool in accordance with 810 KAR 6:020.

1           (15) [(12)] "Claiming race" means any race in which every horse running in the race may  
2 be transferred in conformity with 810 KAR 4:050.

3           (16) [(13)] "Closing" means the time published by the association after which entries for a  
4 race will not be accepted by the racing secretary.

5           (17) [(14)] "Commission" means:

6           (a) The Kentucky Horse Racing Commission if used in the context of the administrative  
7 agency governing horse racing and pari-mutuel wagering; and

8           (b) If used in the context of pari-mutuel wagering, the amount an association is authorized  
9 to withhold from a pari-mutuel wager pursuant to KRS 230.3615.

10          (18) [(15)] "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and  
11 ending at midnight.

12          (19) [(16)] "Dead heat" means a finish of a race in which the noses of two (2) or more horses  
13 reach the finish line at the same time.

14          (20) [(17)] "Declaration" means the withdrawal of a horse entered in a race prior to time of  
15 closing of entries for the race in conformance with 810 KAR Chapter 6 [1].

16          (21) [(18)] "Designated area" means any enclosed area that the commission has approved  
17 for the location of terminals used for wagering on ~~an~~ historical horse ~~race~~ races.

18          (22) [(19)] "Disciplinary action" means action taken by the stewards or the commission for  
19 a violation of KRS Chapter 230 or KAR Title 810 [~~or Title 811~~] and can include:

20           (a) Refusal to issue or renew a license;

21           (b) Revocation or suspension of a license;

22           (c) Imposition of probationary conditions on a license;

- 1 (d) Issuance of a written reprimand or admonishment;
- 2 (e) Imposition of fines or penalties;
- 3 (f) Denial of purse money;
- 4 (g) Forfeiture of purse money; or
- 5 (h) Any combination of paragraphs (a) through (g) of this subsection.

6 (23)~~(20)~~ "Disqualification" means a ruling of the stewards or the commission revising the  
7 order of finish of a race.

8 (24) "Driver" means a person who is licensed to drive a horse in a harness race.

9 (25)~~(21)~~ "Entry" means the act of nominating a horse for a race in conformance with KAR  
10 Title 810.

11 (26)~~(22)~~ "Equipment" means accoutrements other than ordinary saddle, girth, pad, saddle  
12 cloth, and bridle carried by a horse, and includes whip, blinkers, tongue strap, muzzle, hood,  
13 noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing plates or shoes.

14 (27)~~(23)~~ "Exhibition race" means a race between horses of diverse ownership for which a  
15 purse is offered by the association, but on which no pari-mutuel wagering is permitted.

16 (28)~~(24)~~ "Exotic wager" means any pari-mutuel wager placed on a live or historical horse  
17 race or races other than a win, place, or show wager placed on a live horse race.

18 (29)~~(25)~~ "Field" or "mutuel field" means a single betting interest involving more than one  
19 (1) horse that is not a mutuel entry.

20 (30)~~(26)~~ "Forfeit" means money due by a licensee because of an error, fault, neglect of  
21 duty, breach of contract, or alternative ruling of the stewards or the commission.

1           (31)[(27)] "Free handicap" means a handicap for which no nominating fee is required to be  
2 weighted, but an entrance or starting fee may be required for starting in the race.

3           (32)[(28)] "Handicap race" means a race in which the weights to be carried by the horses  
4 are assigned by the association handicapper with the intent of equalizing the chances of winning  
5 for all horses entered in the race.

6           (33)[(29)] "Handle" means the aggregate of all pari-mutuel pools, excluding refundable  
7 wagers.

8           (34)[(30)] "Historical horse race" means any horse race that:

9           (a) Was previously run at a licensed pari-mutuel facility located in the United States;

10           (b) Concluded with official results; and

11           (c) Concluded without scratches, disqualifications, or dead-heat finishes.

12           (35)[(31)] "Horse" means any equine (including and designated as a mare, filly, stallion, colt,  
13 ridgeling, or gelding)~~[a thoroughbred registered with The Jockey Club irrespective of age or sex~~  
14 ~~designation].~~

15           (36)[(32)] "Ineligible" means a horse or person not qualified under 810 KAR Chapter 6[4] or  
16 conditions of a race to participate in a specified racing activity.

17           (37)[(33)] "Initial seed pool" means a nonrefundable pool of money funded by an  
18 association in an amount sufficient-to ensure that a patron will be paid the minimum amount  
19 required on a winning wager on an historical horse race.

20           (38)[(34)] "Jockey" means a rider currently licensed to ride in races other than harness races  
21 as a jockey, apprentice jockey, amateur jockey, or a provisional jockey permitted by the stewards  
22 to ride in three (3) races prior to applying for a license.

1 (39) "Judge" means a duly appointed racing official with powers and duties specified in 810

2 KAR 2:050 serving at a current meeting in the Commonwealth.

3 (40)~~(35)~~ "Lessee" means a licensed owner whose interest in a horse is a leasehold.

4 (41)~~(36)~~ "Licensed premises" means:

5 (a) For facilities in operation as of 2010, the~~The~~ location and physical plant described in  
6 ~~[response to question P of]~~ the "Commonwealth of Kentucky Initial/Renewal Application for  
7 License to Conduct Live Horse Racing, Simulcasting, and Pari-Mutuel Wagering" filed for racing  
8 to be conducted in 2010;

9 (b) Real property of an association, if the association receives approval from the  
10 commission after 2010 for a new location at which live racing will be conducted; or

11 (c) One (1) facility or real property that is:

12 1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of  
13 the association's track but not contiguous to track premises, upon commission approval; and

14 2. Not~~For purposes of paragraphs (b) and (c) of this subsection, is not~~ within a sixty (60)  
15 mile radius of another licensed track premise where live racing is conducted and not within a  
16 forty (40) mile radius of a simulcast facility, unless any affected track of simulcast facility agrees  
17 in writing to permit a noncontiguous facility within the protected geographic area.

18 (42)~~(37)~~ "Licensee" means an individual, firm, association, partnership, corporation,  
19 trustee, or legal representative that has been duly issued a currently valid license to participate  
20 in racing in the Commonwealth.

21 (43)~~(38)~~ "Maiden" means a horse which has never won a race on the flat at a recognized  
22 meeting in any country. A maiden which was disqualified after finishing first remains a maiden.

1 Race conditions referring to maidens shall be interpreted as meaning maidens at the time of  
2 starting.

3 ~~(44)~~~~(39)~~ "Match race" means a race between two (2) horses for which no other horses are  
4 eligible.

5 ~~(45)~~~~(40)~~ "Meeting" means the entire period of consecutive days, exclusive of dark days,  
6 granted by the commission to a licensed association for the conduct of live horse racing that:

7 (a) Begins at 10 a.m. of the first racing day; and

8 (b) Extends through a period ending one (1) hour after the last scheduled race of the last  
9 day.

10 ~~(46)~~~~(41)~~ "Minus pool" means a pari-mutuel pool in which the amount of money to be  
11 distributed on winning wagers exceeds the amount of money contained in that pari-mutuel  
12 pool~~[the net pool]~~.

13 ~~(47)~~~~(42)~~ "Month" means calendar month.

14 ~~(48)~~~~(43)~~ "Mutuel entry" means a single betting interest involving two (2) or more horses  
15 entered in the same race and joined for pari-mutuel purposes because of common ties as to  
16 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
17 horses joined in the same mutuel entry.

18 ~~(49)~~~~(44)~~ "Net pool" means the total amount wagered less refundable wagers and takeout.

19 ~~(50)~~~~(45)~~ "Nomination" means a subscription or entry of a horse in a stakes or early closing  
20 race.

21 ~~(51)~~~~(46)~~ "Nominator" means the person in whose name a horse is entered for a race.

1           (52)[(47)] "Owner" means any person who holds, in whole or in part, any right, title, or  
2 interest in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's  
3 license as a person responsible for the horse.

4           (53)[(48)] "Pari-mutuel wagering," "mutuel wagering", or "pari-mutuel system of wagering"  
5 each means a system or method of wagering previously or hereafter approved by the commission  
6 in which one (1) or more patrons wager on a horse race or races, whether live, simulcast, or  
7 previously run. Wagers shall be placed in one or more wagering pools, and wagers on different  
8 races or sets of races may be pooled together. Patrons may establish odds or payouts, and  
9 winning patrons share in amounts wagered including any carryover amounts, plus any amounts  
10 provided by an association less any deductions required, as approved by the racing commission  
11 and permitted by law. Pools may be paid out incrementally over time as approved by the  
12 commission~~[are wagering among themselves and not against the association and amounts~~  
13 ~~wagered are placed in one or more designated wagering pools and the net pool is returned to~~  
14 ~~the winning patrons]~~.

15           (54) "Pari-mutuel pool" means any pool into which pari-mutuel wagers made by patrons  
16 are placed. For every wager placed into a pari-mutuel pool by a patron, that patron is eligible to  
17 receive at least a minimum payout on a winning wager.

18           (55)[(49)] "Patron" means an individual present at a track, licensed premises, or a simulcast  
19 facility who observes or wagers on [a] live or historical horse races~~[race]~~.

20           (56)[(50)] "Payout" means the amount of the net pool payable to an individual patron on  
21 his or her winning wager.

1            ~~(57)~~~~(51)~~ "Place," if used in the context of a single position in the order of finish in a race,  
2 means second; if used in the context of pari-mutuel wagering, a "place" wager means one  
3 involving a payoff on a betting interest which finished first or second in a race; if used in the  
4 context of multiple positions in the order of finish in a race, "place or placing" means finishing  
5 first or second.

6            ~~(58)~~~~(52)~~ "Post" means the starting point of a race.

7            ~~(59)~~~~(53)~~ "Post position" means the relative place assigned to each horse, numbered from  
8 the inner rail across the track at the starting line, from which each horse is to start a race.

9            ~~(60)~~~~(54)~~ "Post time" means the advertised moment scheduled for the arrival of all horses  
10 at the starting point for a race.

11           ~~(61)~~~~(55)~~ "Prize" means the combined total of any cash, premium, trophy, and object of  
12 value awarded to the owners of horses according to order of finish in a race.

13           ~~(62)~~~~(56)~~ "Purse" means the gross cash portion of the prize for which a race is run.

14           (63) "Quarter horse" means a horse registered with the American Quarter Horse Association  
15 of Amarillo, Texas.

16           ~~(64)~~~~(57)~~ "Purse race" means any race for which entries close at a time designated by the  
17 racing secretary, and for which owners of horses entered are not required by its conditions to  
18 contribute money toward its purse.

19           ~~(65)~~~~(58)~~ "Race" means a running contest between horses, ~~[thoroughbreds]~~ ridden by  
20 jockeys or driven by drivers, over a prescribed course free of obstacles or jumps, at a recognized  
21 meeting, during regular racing hours, for a prize.



1           (66)[(59)] "Race day" means any period of twenty-four (24) hours beginning at 12:01 a.m.  
2 and ending at midnight in which live racing is conducted by an association.

3           (67)[(60)] "Racing official" means a racing commission member, commission staff as duties  
4 require, and all association racing department employees, as duties require.

5           (68)[(61)] "Recognized meeting" means any meeting with regularly scheduled live horse  
6 races for thoroughbreds on the flat, licensed by and conducted under administrative regulations  
7 promulgated by a governmental regulatory body, to include foreign countries which are  
8 regulated by a racing authority which has reciprocal relations with The Jockey Club and whose  
9 race records can be provided to an association by The Jockey Club.

10          (69)[(62)] "Registration certificate" means, with respect to thoroughbreds:

11           (a) The document issued by The Jockey Club certifying the name, age, color, sex, pedigree,  
12 and breeder of a horse as registered by number with The Jockey Club; or

13           (b) The document known as a "racing permit" issued by The Jockey Club in lieu of a  
14 registration certificate if a horse is recognized as a thoroughbred for racing purposes in the  
15 United States, but is not recognized as a thoroughbred for breeding purposes insofar as  
16 registering its progeny with the Jockey Club.

17          (70)[(63)] "Result" means the part of the official order of finish in a race used to determine  
18 the pari-mutuel payoff of pari-mutuel pools.

19          (71)[(64)] "Rulings" means all determinations, decisions, or orders of the stewards or of the  
20 commission duly issued in writing and posted.

21          (72)[(65)] "Scratch" means the withdrawal of a horse entered for a race after the time of  
22 closing of entries for the race in conformance with KAR Title 810.

1            ~~(73)~~~~(66)~~ "Scratch time" means the time set by the racing secretary as a deadline for  
2 horsemen to indicate their desire to scratch out of a race.

3            ~~(74)~~~~(67)~~ "Secretary" means the duly appointed and currently serving secretary of the  
4 commission.

5            ~~(75)~~~~(68)~~ "Seed pool" means a pool of money funded by patrons wagering on an historical  
6 horse race that is used to ensure that all patrons are paid the minimum payout on winning  
7 wagers.

8            (76) "Simulcasting" is defined by KRS 230.210.

9            ~~(77)~~~~(69)~~ "Specimen" means a sample of blood, urine, or other biologic sample taken or  
10 drawn from a horse for chemical testing.

11           ~~(78)~~~~(70)~~ "Stakes" means all fees:

12           (a) Paid by subscribers to an added-money or stakes race for nominating, eligibility,  
13 entrance, or starting, as may be required by the conditions of the race; and

14           (b) Included in the purse.

15           ~~(79)~~~~(71)~~ "Stakes race" means a race that closes more than seventy-two (72) hours in  
16 advance of its running and for which subscribers contribute money towards its purse, or a race  
17 for which horses are invited by an association to run for a guaranteed purse of \$50,000 or more  
18 without payment of stakes. With the exception of stakes races in North America, "stakes race"  
19 shall exclude races not listed by The Jockey Club Information System International Cataloguing  
20 Standards, Part One (1).

21           ~~(80)~~~~(72)~~ "Starter" means a horse in a race when the starting-gate doors open in front of it  
22 at the moment the starter dispatches the horses for a race.

1        ~~(81)~~~~(73)~~ "Steward" means a duly appointed racing official with powers and duties  
2 specified in 810 KAR 2:040 serving at a current meeting in the Commonwealth.

3        ~~(82)~~~~(74)~~ "Subscription" means nomination or entry of a horse in a stakes race.

4        ~~(83)~~~~(75)~~ "Takeout" is defined in Section 1(17)(b) of this regulation as "Commission."

5        ~~(84)~~~~(76)~~ "Terminal" means any self-service totalizator machine or other mechanical  
6 equipment used by a patron to place a pari-mutuel wager on a live or historical horse race or  
7 races.

8        ~~(85)~~~~(77)~~ "Thoroughbred racing" is defined by KRS 230.210~~(21)~~.

9        ~~(86)~~~~(78)~~ "Totalizator" means the system, including hardware, software, communications  
10 equipment, and electronic devices that accepts and processes the cashing of wagers, calculates  
11 the odds and prices of the wagers, and records, displays, and stores pari-mutuel wagering  
12 information.

13        ~~(87)~~~~(79)~~ "Unplaced" means a horse that finishes a race outside the pari-mutuel payoff.

14        ~~(88)~~ "Wagering pool" is defined in Section 1 of this regulation as pari-mutuel pool.

15        ~~(89)~~~~(80)~~ "Walkover" means a race in which the only starter or all starters represent single  
16 ownership.

17        ~~(90)~~~~(81)~~ "Weigh in" means the presentation of a jockey to the clerk of scales for weighing  
18 after a race.

19        ~~(91)~~~~(82)~~ "Weigh out" means the presentation of a jockey to the clerk of scales for weighing  
20 prior to a race.

1            (92)~~(83)~~ "Weight for age" means the standard assignment of pounds to be carried by  
2 horses in races at specified distances during specified months of the year, scaled according to the  
3 age of the horse as set out in 810 KAR 4:020.

4            (93)~~(84)~~ "Workout" means the training exercise of a horse on the training track or main  
5 track of an association during which the horse is timed for speed over a specified distance.

6            (94)~~(85)~~ "Year" means twelve (12) consecutive months beginning with January and ending  
7 with December.

8            Section 2. Severability. If any provision or administrative regulation of this chapter is found  
9 to be invalid, the remaining provisions of this chapter shall not be affected nor diminished  
10 thereby.

810 KAR 6:001E  
READ AND APPROVED:

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Jonathan Rabinowitz	Date
Chair, Kentucky Horse Racing Commission	

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Kerry Harvey	Date
Secretary, Public Protection Cabinet	

#### PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on April 22, 2021 at Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:001E

Contact Person: Jennifer Wolsing

Phone: +1 (859) 246-2040

Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation establishes the regulatory definitions that apply to all pari-mutuel and exotic wagering on live and historical horse races in the Commonwealth.

(b) The necessity of this administrative regulation: The regulation is necessary to provide specific and updated definitions of the terms used in the commission's regulations.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215 authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361 requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. This regulation provides specific and updated definitions for the terms used in the commission's administrative regulations.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: First, this amendment changes terminology in the regulation to comply with *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120. Additionally, this amendment expands KAR Title 810 to regulate exotic wagering on all types of live or historical horse racing, including thoroughbred, standardbred, quarter horse, appaloosa, and Arabian racing. This expansion will ensure that the KHRC's pari-mutuel and exotic wagering regulations do not expire, as set forth above in the statement of emergency. This amendment will also continue to bring uniformity to the rules governing exotic wagering for the various breeds.

(b) The necessity of the amendment to this administrative regulation: First, this amendment is necessary to comply with *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120. This amendment is also necessary to reduce the number of regulations applicable to exotic wagering and make the regulations easier to understand. This emergency amendment will prevent these regulations from expiring, as set forth in the statement of emergency. Allowing the Commission's pari-mutuel and exotic wagering regulations to expire would not only violate KRS 230.361, but would also cause the loss of millions of dollars of taxable revenue at the racing associations.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215 authorizes the commission to regulate the conditions under which horse racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. KRS 230.361 requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races. This regulation provides specific definitions of terms used in the commission's administrative regulations.

(d) How the amendment will assist in the effective administration of the statutes: This proposed amendment provides definitions of terms used in the commission's administrative regulations.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, the owners and trainers who participate in racing in the Commonwealth, the jockeys who ride in the Commonwealth, the harness drivers who drive in the Commonwealth, the patrons who place pari-mutuel wagers on live and historical horse racing in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: The emergency amendment merely updates language to comply with *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, and migrates Title 811 regulations to Title 810. This emergency amendment will not require regulated entities to take any additional compliance actions that they are not already taking.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity or to increase compliance costs at all for the commission.



(c) As a result of compliance, what benefits will accrue to the entities: The racing associations will have a defined process to follow if they plan to offer exotic wagers. They will be able to offer increased pari-mutuel wagering options to patrons and can expect an increase in on-track attendance and total pari-mutuel handle. The increased revenue can be used to maintain and improve racing association facilities and supplement purses for live races run at each racing association. The increased purses will help the racing associations to compete with racing associations in neighboring states that offer expanded gaming options. The owners, trainers, jockeys, and harness drivers will benefit from increased purses, as well as any improvements to a racing association's facilities. The patrons will benefit from any improvements to a racing association's facilities, as well as from increased pari-mutuel wagering options.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the racing associations for additional employee compensation and other expenses.

(b) On a continuing basis: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the racing associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. As a general rule, the commission is reimbursed by the racing associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission.

(9) TIERING: Is tiering applied? Explain why or why not. Explain why or why not. Tiering is

not applied. All aspects of this regulation will be applied equally to each racing association.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:001E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission and the Department of Revenue.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.  
KRS 230.215, 230.260, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This proposed amendment is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this proposed amendment will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering on historical horse racing, while still complying with recent Supreme Court case law and the newly enacted SB 120. As it is under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This proposed amendment is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this proposed amendment will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering on historical horse racing, while still complying with recent Supreme Court case law and the newly enacted SB 120. As it is under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(c) How much will it cost to administer this program for the first year? This regulation will have no effect on the expenditures and revenues of any state or local government agency.

(d) How much will it cost to administer this program for subsequent years? There will be no administrative costs as a result of this regulation.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): None.

(5) Expenditures (+/-): None.

(6) Other Explanation: N/A.

STATEMENT OF EMERGENCY  
810 KAR 6:010E

This emergency regulation is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC”) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear, Governor

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Kerry B. Harvey, Secretary Public Protection Cabinet

1 PUBLIC PROTECTION CABINET  
2 Kentucky Horse Racing Commission  
3 (New Emergency Administrative Regulation)

4 810 KAR 6:010E. Exotic wagering.

5 RELATES TO: KRS 230.300, 230.361, 230.3615, 230.370, 230.398, 230.750

6 STATUTORY AUTHORITY: KRS 230.210, 230.215, 230.361, 230.370

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky  
8 Horse Racing Commission (the "commission") to regulate conditions under which horse racing  
9 and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the  
10 commission to promulgate administrative regulations governing and regulating pari-mutuel  
11 wagering on horse races under the pari-mutuel system of wagering. This administrative  
12 regulation establishes the procedures and regulations governing exotic wagering under KRS  
13 Chapter 230 and KAR Title 810.

14 Section 1. All Pari-mutuel Wagers on a Historical Horse Race or Races Are Exotic Wagers.

15 All pari-mutuel wagers other than win, place, or show wagers on a live horse race are  
16 exotic wagers.

17 Section 2. Exotic Wagers to Be Approved by Commission.

18 (1) An association shall not offer an exotic wager on any live or historical horse race or  
19 races without the prior written approval of the commission.

1           (2) An association making a request to offer an exotic wager on a live or historical horse  
2 race may make an oral presentation to the commission regarding the wager prior to the  
3 commission deciding on the request.

4           (a) The presentation shall be made by the association during a meeting of the commission.

5           (b) The presentation shall be limited to the information contained in the written request  
6 and any supplemental information relevant to the commission's determination of the suitability  
7 of the wager.

8           (c) The commission may require an association to clarify or otherwise respond to  
9 questions concerning the written request as a condition of approval for the exotic wager.

10          (3) The commission may request additional information from an association regarding the  
11 exotic wager if the additional information would assist the commission in deciding whether to  
12 approve it.

13          (4) In reviewing a written request for an exotic wager, the commission may consider any  
14 information, data, reports, findings, or other factors available which it considers important or  
15 relevant to its determination of whether the wager should be approved.

16          (5) The commission or its designee shall review and test the exotic wager and shall give  
17 its approval if it is satisfied that:

18           (a) The wager does not adversely affect the safety or integrity of horse racing or pari-  
19 mutuel wagering in the Commonwealth; and

20           (b) The wager complies with KRS Chapter 230 and KAR Title 810.

1           (6) The commission shall notify the association if it determines that the criteria set forth  
2 in subsection (5) of this section are no longer being met and it intends to withdraw approval of a  
3 particular exotic wager.

4           (7) An association shall not implement any change or modification to the practices,  
5 procedures, or representations upon which the approval of the exotic wager was based without  
6 the prior written approval of the commission.

7           Section 3. Exotic Wagers on a Live Horse Race or Races.

8           (1) Except as set forth in subsection (2) of this section, an association shall submit a  
9 written request to the commission for permission to offer any exotic wager on a live horse race  
10 or races, which shall include a detailed description of the rules that apply to the pari-mutuel  
11 wager and the method of calculating payouts.

12           (2) If the rules have not been modified since the pari-mutuel wager was approved by the  
13 commission, an association shall not be required to seek the commission's approval to offer the  
14 following previously approved exotic wagers on live horse races: Exacta, Perfecta, Quinella,  
15 Trifecta, Superfecta, Double Perfecta, Big Q, Twin Trifecta, Daily Double, Super High 5, Pick-3,  
16 Pick-4, and Pick-6.

17           Section 4. Exotic Wagers on a Historical Horse Race or Races.

18           (1) An association shall submit a written request to the commission for permission to offer  
19 any exotic wager on a historical horse race or races, which shall include:

20           (a) The types, number, and denominations of pari-mutuel wagers to be offered;

21           (b) A detailed description of the rules that apply to the pari-mutuel wager, and the  
22 method of calculating payouts;



1 (c) The days and hours of operation during which wagering on historical horse races will  
2 be offered;

3 (d) A detailed description of the proposed designated area and the terminal or terminals  
4 on which the pari-mutuel wagers will be made, including an architect's rendering of the proposed  
5 designated area which describes the size, construction, layout, capacity, number of terminals,  
6 and location of surveillance and other security equipment, and at least one (1) photograph of the  
7 designated area when construction is completed;

8 (e) The practices and procedures that will ensure the security, safety, and comfort of  
9 patrons in the designated area;

10 (f) The manufacturer, make, and model of the terminal, including a copy of all literature  
11 supplied by the manufacturer of the terminal;

12 (g) The maintenance and repair procedures that will ensure the integrity of the terminals;

13 (h) A complete list of individuals who are authorized to examine and repair the terminals  
14 for any reason; and

15 (i) A memorandum outlining the terms of the agreement referenced in Section 6(2) of this  
16 administrative regulation between the association and one of the following horsemen's  
17 organizations, as applicable:

18 (i) for thoroughbred associations operating historical horse racing, the Kentucky  
19 Horsemen's Benevolent and Protective Association, the Kentucky Thoroughbred  
20 Association/Kentucky Thoroughbred Owners and Breeders, or their successors;

21 (ii) for standardbred associations operating historical horse racing, the Kentucky Harness  
22 Horsemen's Association, the Kentucky Harness Association, or their successors;

1 (iii) for quarterhorse associations operating historical horse racing, the Kentucky Quarter  
2 Horse Racing Association or its successor;

3 (iv) for Arabian associations operating historical horse racing, the Arabian Jockey Club, or  
4 its successor; and

5 (v) for appaloosa associations operating historical horse racing, a horsemen's organization  
6 representing appaloosa racing.

7 (2)(a) Except as set forth in paragraph (b) of this subsection, each association that is  
8 approved by the commission to offer exotic wagering on historical horse racing shall request, in  
9 any application submitted for a license, to conduct live horse racing pursuant to KRS 230.300 and  
10 810 KAR 3:010:

11 1. No less than 100 percent of the number of racing days initially requested by the  
12 association in its application to conduct racing for the 2010 racing year; and

13 2. No less than 100 percent of the number of races initially requested by the association  
14 in its application to conduct racing for the 2010 racing year.

15 (b) An association may apply for less than 100 percent of the number of racing days  
16 initially applied for by the association in its application to conduct racing for 2010, or the number  
17 of races initially applied for by the association in its application to conduct racing for 2010, if  
18 written approval is obtained from the commission, and from one of the following horsemen's  
19 organizations, as applicable:

20 (i) for thoroughbred associations operating historical horse racing, the Kentucky  
21 Horsemen's Benevolent and Protective Association, the Kentucky Thoroughbred  
22 Association/Kentucky Thoroughbred Owners and Breeders, or their successors;

1 (ii) for standardbred associations operating historical horse racing, the Kentucky Harness  
2 Horsemen's Association, the Kentucky Harness Association, or their successors;

3 (iii) for quarterhorse associations operating historical horse racing, the Kentucky Quarter  
4 Horse Racing Association or its successor;

5 (iv) for Arabian associations operating historical horse racing, the Arabian Jockey Club, or  
6 its successor; and

7 (v) for appaloosa associations operating historical horse racing, a horsemen's organization  
8 representing appaloosa racing.

9 Section 5. Terminals Used for Wagering on a Historical Horse Race or Races.

10 (1) Wagering on historical horse races shall be conducted only on terminals approved by  
11 the commission as set forth in Sections 2(5) and 5(2) of this administrative regulation. The  
12 commission shall not require any particular make of terminal.

13 (2)(a) The commission shall require testing of each terminal used for wagering on  
14 historical horse races by an independent testing laboratory to ensure its integrity and proper  
15 working order.

16 (b) The independent testing laboratory shall be chosen by the commission and the  
17 expense of the testing shall be paid by the association offering the wagering on historical horse  
18 races.

19 (3) Each terminal for wagering on historical horse races shall display odds or pool amounts  
20 that the patron will receive for a winning wager on each pari-mutuel wagering pool.

1           Section 6. Takeout.

2           (1) Each association conducting exotic wagering on historical horse races shall deduct a  
3 takeout, which shall not exceed the percentages set forth in KRS 230.3615 or KRS 230.750, as  
4 applicable.

5           (2)(a) Each association shall enter into an agreement with one of the following  
6 horsemen's organizations, as applicable, to establish the allocation of the takeout on all exotic  
7 wagers on historical horse races offered by the association:

8           (i) for thoroughbred associations operating historical horse racing, the Kentucky  
9 Horsemen's Benevolent and Protective Association, the Kentucky Thoroughbred  
10 Association/Kentucky Thoroughbred Owners and Breeders, or their successors;

11           (ii) for standardbred associations operating historical horse racing, the Kentucky Harness  
12 Horsemen's Association, the Kentucky Harness Association, or their successors;

13           (iii) for quarterhorse associations operating historical horse racing, the Kentucky Quarter  
14 Horse Racing Association or its successor;

15           (iv) for Arabian associations operating historical horse racing, the Arabian Jockey Club, or  
16 its successor; and

17           (v) for appaloosa associations operating historical horse racing, a horsemen's organization  
18 representing appaloosa racing. The agreement shall apply to all exotic wagers on historical horse  
19 races offered, or to be offered, by the association during the term of the agreement.

20           (b) The agreement shall include provisions allocating a percentage of the takeout to  
21 purses on live races run by the association.

1 (c) Each association shall provide a memorandum outlining the terms of the agreement  
2 to the commission.

3 Section 7. Severability.

4 In the event that any provision or administrative regulation of this chapter is found to be  
5 invalid, the remaining provisions of this chapter shall not be affected nor diminished thereby.

810 KAR 6:010E  
READ AND APPROVED:

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Jonathan Rabinowitz	Date
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Chair, Kentucky Horse Racing Commission

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Kerry B. Harvey	Date
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Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 a.m. on April 22, 2021 at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511 via Zoom. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:010E

Contact Person: Jennifer Wolsing

Phone: +1 (859) 246-2040

Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation clarifies the process for licensed racing associations to request permission from the Kentucky Horse Racing Commission to offer exotic forms of pari-mutuel wagers on live and historical horse races. It includes a process for associations to request permission to offer pari-mutuel wagering on live and historical horse races and establishes criteria for the commission to evaluate such requests.

(b) The necessity of this administrative regulation: This regulation is necessary for the commission to regulate the integrity of pari-mutuel wagering in the Commonwealth.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering. This regulation establishes the procedures and regulations governing exotic forms of pari-mutuel wagering under KRS Chapter 230 and the commission's administrative regulations.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.361 requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races. This administrative regulation establishes the criteria for determining whether exotic wagers requested by licensed racing association comply with the provisions of KRS Chapter 230 and the commission's administrative regulations.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This is not an amendment. It is a new regulation.

(b) The necessity of the amendment to this administrative regulation: This is not an amendment. It is a new regulation.



(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This emergency regulation will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, the owners and trainers who participate in racing in the Commonwealth, the jockeys who ride in the Commonwealth, the harness drivers who drive in the Commonwealth, the patrons who place exotic wagers on live and historical horse racing in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: The emergency regulation merely updates language to comply with *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120. This emergency regulation also migrates Title 811 regulations to Title 810. This emergency regulation will not require regulated entities to take any additional compliance actions that they are not already taking.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This emergency regulation is not anticipated to significantly increase compliance costs for any regulated entity or the commission.

(c) As a result of compliance, what benefits will accrue to the entities: The associations will have a defined process to follow if they plan to offer exotic wagers. They will be able to offer increased pari-mutuel wagering options to patrons and can expect an increase in on-track attendance and total pari-mutuel handle. The increased revenue can be used to maintain and improve racing association facilities and supplement purses for live races run at each association. The increased purses will help the associations to compete with racing associations in neighboring states that offer expanded gaming options. The owners, trainers, jockeys, and harness drivers will benefit from increased purses, as well as any improvements to an association's facilities. The patrons will benefit from any improvements to an association's facilities, as well as from increased pari-mutuel wagering options.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This emergency regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses.

(b) On a continuing basis: This emergency regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This emergency regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. As a general rule, the commission is reimbursed by the association for additional employee compensation and other expenses pursuant to KRS 230.240.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This emergency regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This emergency regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. However, as in previous version of this regulation, the associations that request and receive permission to offer exotic wagering on historical horse races will be required to reimburse the commission for the cost of compensation of additional employees and expenses pursuant to KRS 230.240.

(9) TIERING: Is tiering applied? Explain why or why not. Tiering is not applied. All aspects of this regulation will be applied equally to each association.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:010E

Contact Person: Jennifer Wolsing

Phone: +1 (859) 246-2040

Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission and the Department of Revenue.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.210, KRS 230.215, 230.361, 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This emergency regulation is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this emergency regulation will preserve tax revenue by allowing associations to continue offering exotic pari-mutuel wagers. Under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This emergency regulation is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this emergency regulation will preserve tax revenue by allowing associations to continue to offer exotic pari-mutuel wagers. Under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(c) How much will it cost to administer this program for the first year? This emergency regulation is not anticipated to increase costs any more than the current regulatory scheme does. Under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

(d) How much will it cost to administer this program for subsequent years? This emergency regulation is not anticipated to increase costs any more than the current regulatory scheme does. Under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): None.

(5) Expenditures (+/-): None.

(6) Other Explanation: N/A

STATEMENT OF EMERGENCY

810 KAR 6:030E

This emergency regulation is promulgated to meet an imminent threat to public health, safety, or welfare, and to prevent a loss of state funds. On February 11, 2021, the Kentucky General Assembly passed SB 120, which enacted numerous changes to pari-mutuel wagering in Kentucky, particularly as it relates to historical horse racing. This administrative regulation is filed on an emergency basis to ensure compliance with that statute, which will allow the Kentucky Horse Racing Commission (“KHRC”) to continue to regulate pari-mutuel wagering.

Additionally, this regulation is filed on an emergency basis to ensure continued regulatory authority over pari-mutuel wagering in Kentucky. The KHRC began migrating its regulations from Title 811 on September 9, 2020. Due to the Supreme Court’s opinion in *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, those regulations became obsolete. Therefore, the migration must take place in emergency regulations. Otherwise, the pending regulations will expire, and pari-mutuel wagering will not be regulated. This would cause a loss of state funds, and would also negatively impact the public welfare by endangering jobs.

This emergency regulation will be replaced by an ordinary administrative regulation.

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Andy Beshear  
Governor

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Kerry B. Harvey, Secretary  
Public Protection Cabinet

1 PUBLIC PROTECTION CABINET  
2 Kentucky Horse Racing Commission  
3 (New Emergency Administrative Regulation)

4 810 KAR 6:030E. Pari-mutuel wagering.

5 RELATES TO: KRS 230.300, 230.361, 230.3615, 230.370, 230.398, 230.750~~[138.510-~~  
6 ~~138.550, 230.210-230.375, 230.990]~~

7 STATUTORY AUTHORITY: KRS 230.210, 230.215 ~~[230.215, 230.240, 230.260, 230.280,~~  
8 ~~230.290, 230.300, 230.310, 230.320]~~, 230.361, 230.370

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes ~~[grants]~~ the  
10 Kentucky Horse Racing Commission (the "commission") ~~[authority]~~ to regulate conditions under  
11 which horse ~~[thoroughbred]~~ racing and pari-mutuel wagering thereon shall be conducted in  
12 Kentucky. KRS 230.361(1) requires the commission~~[authority]~~ to promulgate administrative  
13 regulations governing and regulating pari-mutuel~~[mutuel]~~ wagering on horse races under the  
14 pari-mutuel system of wagering. This administrative regulation establishes the requirements for  
15 the operation of pari-mutuel wagering under KRS Chapter 230 and ~~[810]~~ KAR Title 810, Chapter  
16 6~~[4]~~.

17 Section 1. Pari-Mutuel System of Wagering Required.

18 (1) The only wagering permitted on ~~[a]~~ live or historical horse rac~~es~~ ~~[race]~~ shall be under  
19 the pari-mutuel system of wagering. All systems of wagering other than pari-mutuel shall be

1 prohibited. Any person participating or attempting to participate in prohibited wagering shall be  
2 ejected and excluded from association grounds.

3 (2) Wagering conducted in conformity with KRS Chapter 230 and ~~[810]~~ KAR Title 810  
4 ~~[Chapter 1]~~ is pari-mutuel.

5 Section 2. Totalizator or Other Approved Equipment Required.

6 (1) Pari-Mutuel wagering on live and historical horse races shall only be conducted  
7 through the use of a totalizator or other similar mechanical equipment approved by the  
8 commission pursuant to KRS 230.361.

9 (2) The totalizator or other mechanical equipment shall be available for testing under the  
10 supervision of the commission upon request by the commission to ensure its proper working  
11 order.

12 Section 3. Wagering on ~~[an]~~ Historical Horse Races~~[Race]~~ Authorized.

13 (1) Wagering on ~~[an]~~ historical horse races~~[race]~~ is hereby authorized and may be  
14 conducted in accordance with KRS Chapter 230 and ~~[810]~~ KAR Title 810~~[Chapter 1]~~.

15 (2) Wagering on ~~[an]~~ historical horse races shall only be conducted by:

16 (a) An association licensed to conduct a live horse race meet; or

17 (b) Two (2) or more associations licensed to conduct a live horse race meet:

18 1. Who form a joint venture; or

19 2. Pursuant to an agreement between them.

20 (3) Wagering on ~~[an]~~ historical horse races~~[race]~~ shall only be permitted in a designated  
21 area on the licensed premises of an association licensed to conduct a live horse race meeting.

22 Wagering on historical horse races~~[racing]~~ shall not be offered in any other location.

1 (4) An association may conduct wagering on historical horse races of any horse breed  
2 regardless ~~[regard-less]~~ of the type of breed that primarily races in live meets conducted by the  
3 association. An association may conduct wagering on historical horse races on any days and hours  
4 approved by the commission, and shall not be limited to times during which the association is  
5 conducting a live horse race meeting.

6 (5) Any wager placed on ~~[an]~~ a historical horse race or races is an exotic wager.

7 (6) Before offering wagering on ~~[an]~~ historical horse races ~~[race]~~, an association shall first  
8 obtain the commission's written approval of all wagers offered as set forth in KAR Title 810 ~~[810~~  
9 ~~KAR 1:120]~~.

10 (7) All wagering on ~~[an]~~ historical horse races ~~[race]~~ shall incorporate the following  
11 elements:

12 (a) A patron may only wager on ~~[an]~~ historical horse races ~~[race]~~ on a terminal approved  
13 by the commission;

14 (b) An association shall at all times maintain at least two (2) terminals offering each type  
15 of exotic wager on ~~[an]~~ historical horse races ~~[race]~~;

16 (c) Once a patron deposits the wagered amount in the terminal offering wagering on an  
17 historical horse race, an historical horse race shall be chosen at random;

18 (d) Prior to the patron making his or her wager selections, the terminal shall not display  
19 any information that would allow the patron to identify the historical horse race or races on  
20 which he or she is wagering, including the location of the race or races, the date on which the  
21 race or races was run, the names of the horses in the ~~[race]~~ race or races, or the names of the  
22 jockeys that rode the horses in the race or races;



1 (e) The terminal shall make available true and accurate past performance information on  
2 the historical horse race to the patron prior to making his or her wager selections. The  
3 information shall be current as of the day the historical horse race was actually run. The  
4 information provided to the patron shall be displayed on the terminal in data or graphical form;  
5 and

6 (f) After a patron finalizes his or her wager selections, the terminal shall display a video  
7 replay of the race or races, or a portion thereof, and the official results of the race. The identity  
8 of each ~~the~~ race shall be revealed to the patron after the patron has placed his or her wager.

9 Section 4. Payouts Only Out of Pari-Mutuel Pools: Pari-mutuel Seed Pools Required.

10 (1)(a) A wager on ~~a~~ an historical horse race or races, less deductions permitted by KRS  
11 Chapter 230 or ~~810~~ KAR Title 810 ~~[Chapter 1]~~, shall be placed in pari-mutuel pools approved by  
12 the commission.

13 (b) A payout to a winning patron shall be paid from money wagered by patrons and shall  
14 not constitute a wager against the association.

15 (c) An association conducting wagering on ~~an~~ historical horse races ~~[race]~~ shall not  
16 conduct wagering in such a manner that patrons are wagering against the association, or in such  
17 a manner that the amount retained by the association as a commission is dependent upon the  
18 outcome of any particular race or the success of any particular wager.

19 (2) ~~[An association shall only pay a winning wager on a historical horse race out of the~~  
20 ~~applicable pari-mutuel pool and shall not pay a winning wager out of the association's funds.~~  
21 ~~Payment of a winning wager shall not exceed the amount available in the applicable pari-mutuel~~  
22 ~~pool.]~~

1           ~~(3)~~ An association offering wagering on ~~an~~ historical horse races shall operate seed  
2 pools in a manner and method approved by the commission. For each wager made, an  
3 association may assign a percentage of the wager to seed pools. The seed pools shall be  
4 maintained and funded so that the amount available at any given time is sufficient to ensure that  
5 a patron will be paid the minimum amount required on a winning wager.

6           ~~(3)~~~~(4)~~ An association shall provide the funding for the initial seed pool for each type of  
7 exotic wager. The funding for the initial seed pool shall be nonrefundable and in an amount  
8 sufficient to ensure that a patron will be paid the minimum amount required on a winning wager.

9           Section 5. Location of Terminals Used for Wagering on ~~an~~ Historical Horse Races ~~[Race]~~.

10           (1) Terminals offering wagering on historical horse races shall be located within  
11 designated areas which have the prior written approval of the commission. Designated areas  
12 shall be established in such a way as to control access by the general public and prevent entry by  
13 any patron who is under eighteen (18) years of age or is otherwise not permitted to place wagers.

14           (2) Each association shall monitor persons entering and leaving the designated areas and  
15 shall prevent access to any patron who is under eighteen (18) years of age or is otherwise not  
16 permitted to place wagers on historical horse races.

17           (3) Each association shall provide terminals that are accessible to handicapped patrons.

18           Section 6. Records to be Maintained.

19           (1) Each association and each simulcast facility authorized under KRS 230.380 shall  
20 maintain complete records of all pari-mutuel wagering transactions on live and historical horse  
21 races, including the amounts wagered at each betting window, self-service totalizator, mobile  
22 pari-mutuel teller, and terminal.

1 (2) A copy of the wagering records shall be retained and safeguarded for a period of not  
2 less than two (2) years and shall not be destroyed without the prior written permission of the  
3 commission.

4 Section 7. Equipment.

5 (1) The association and the totalizator provider shall install a primary and secondary  
6 device, which activate the stop betting function of the totalizator system. The chief state steward,  
7 presiding judge, or his or her designee, shall use the primary device to stop wagering at the start  
8 of a live horse race. If wagering is not stopped by the primary device at the start of the race, the  
9 totalizator operator shall stop wagering using the secondary device. The secondary device shall  
10 be installed in the totalizator room and shall only be used by the totalizator operator.

11 (2) If there is a complete breakdown of the totalizator or mechanical equipment during  
12 the wagering on a live horse race, the wagering on that race shall be declared closed. If the  
13 totalizator remains capable of computing payouts, the payouts for that race shall be computed  
14 based on the amounts wagered prior to the breakdown. If the totalizator is incapable of  
15 computing payouts, then refunds shall be issued for all amounts wagered on that race.

16 (3) If there is a complete breakdown of a terminal offering wagering on ~~an~~ historical  
17 horse rac~~es~~race, the association offering the wager shall make a full refund of the patron's  
18 balance on the terminal at the time of the breakdown.

19 Section 8. Entries in a Live Horse Race.

20 (1) The chief state steward or presiding judge shall timely advise an association's pari-  
21 mutuel manager, prior to the beginning of wagering on each live horse race, of the horses that  
22 will compete in the race.

1 (2) If two (2) or more horses entered for the same live horse race are determined by the  
2 commission to have common ties through ownership or training, they may be joined by the  
3 commission as a mutuel entry. The mutuel entry shall become a single betting interest and a  
4 wager on one (1) horse in a mutuel entry shall be a wager on all horses in the same mutuel entry.  
5 If the number of horses competing in a live horse race exceeds the numbering capacity of the  
6 totalizator, the racing secretary shall assign the highest pari-mutuel numbers to horses so that  
7 the highest numbered horse within the numbering capacity of the totalizator, together with  
8 horses of higher numbers, shall be grouped in the mutuel field as a single betting interest, and a  
9 wager on one (1) horse in the mutuel field shall be a wager on all horses in the same mutuel field.

10 (3) A refund at cost value shall be made to all holders of a purchased ticket bearing the  
11 number of a horse in any race that has been scratched or withdrawn before the horse has  
12 become a starter, unless the horse is part of a mutuel entry, and one (1) or more of the entry  
13 starts.

14 Section 9. Sale of Pari-Mutuel Tickets on Live Horse Races.

15 (1) The following types of pari-mutuel wagering shall be permitted on a live horse race at  
16 all licensed associations and simulcast facilities:

17 (a) Normal win, place, and show wagers on each race;

18 (b) Any exotic wager previously approved by the commission; and

19 (c) Any new exotic wager approved in writing by the commission pursuant to KAR Title  
20 810[810 KAR 1:120].

21 (2) Pari-mutuel tickets on live horse races shall not be sold except by a licensed association  
22 or a simulcast facility authorized by KRS 230.380.

1 (3) Pari-mutuel tickets on a live horse race shall only be sold at regular ticket windows,  
2 self-service totalizator machines, by mobile pari-mutuel tellers with hand-held totalizator  
3 devices, or by any other method approved in writing by the commission prior to being offered to  
4 the public. At least one (1) regular ticket window shall be made accessible to handicapped  
5 patrons.

6 (4)(a) Pari-mutuel stored value cards or cash vouchers may be offered by an association.  
7 The dollar amount on the stored value card or cash voucher may be redeemed at any time at any  
8 regular ticket window, or used to fund additional wagers.

9 (b) Cash vouchers shall be valid for one (1) year after the date of issuance. Failure to  
10 present any cash voucher for redemption within one (1) year of issuance shall constitute a waiver  
11 of the right to receive payment on the voucher.

12 (5) A pari-mutuel wager shall not be made on a race after the totalizator has been locked  
13 for that race.

14 (6) Any claim by a patron that he or she has been issued a pari-mutuel ticket other than  
15 that which was requested shall be made before the patron has left the ticket window or before  
16 the mobile teller has initiated a transaction with another patron. A claim for an incorrect ticket  
17 shall not be honored after the totalizator has been locked.

18 Section 10. Payment on Pari-Mutuel Tickets on Live Horse Races.

19 (1) At the end of each live horse race, the placing judges shall advise the manager of the  
20 pari-mutuel department by the use of the totalizator equipment or by telephone of the official  
21 placement of the horses, and payouts shall not be made until the receipt of the notice.

1           (2) Payment of valid pari-mutuel tickets shall be made on the basis of the order of finish  
2 as declared "official" by the stewards or judges. A subsequent change in the order of finish or  
3 award of purse money that may result from a subsequent ruling by the stewards, judges, or  
4 commission shall not affect the pari-mutuel payout.

5           (3) Each association shall deduct from each pari-mutuel pool a commission, not exceeding  
6 the commission provided by KRS 230.3615 or KRS 230.750. The remainder of the pari-mutuel  
7 pool after the deduction of the commission shall be the net pool for distribution as payouts to  
8 ticket holders.

9           (4) Payment on valid pari-mutuel tickets shall be made only if presented and surrendered  
10 within one (1) year following the running of the live horse race on which the wager was made.  
11 Failure to present a ticket within one (1) year shall constitute a waiver of the right to receive  
12 payment on the ticket.

13           (5) The association shall be responsible for the correctness of all payout prices posted as  
14 "official." If an error is made in posting the payout figures, and ascertained before any tickets are  
15 cashed, the posting error shall be corrected, accompanied by a public address announcement,  
16 and only the correct amounts shall be used in the payout, irrespective of the initial error.

17           (6) A mutilated pari-mutuel ticket that is not easily identifiable as being a valid ticket shall  
18 not be accepted for payment.

19           (7) An association shall establish a written procedure for granting patrons an opportunity  
20 to file a claim on a lost pari-mutuel ticket and provide a copy to the commission.

21           (8) Prior to posting payouts, the association's pari-mutuel manager shall require the  
22 verification of the winning runners and prices prior to posting official results.

1 (9)(a) If an error is made in calculating the payout on a winning wager, resulting in  
2 overpayment, the association shall be responsible for the amount between the correct payout  
3 and the amount paid.

4 (b) If the error in calculation results in a payout being too low, the amount between the  
5 correct payout and the amount paid shall be added to the net pool of the same position in the  
6 following race on the same day or, if it is the last race of the day, then it shall be added to the net  
7 pool of the same position in the same race on the following day. If an error occurs in computing  
8 the daily double pool, the underpayment shall be added to the daily double pool of the following  
9 day.

10 (c) If an error occurs causing underpayment on the last race of the entire racing meeting,  
11 the amount of the underpayment shall be paid to the Kentucky Revenue Cabinet.

12 Section 11. Minimum Wagers and Payouts.

13 (1) The minimum wager to be accepted by any licensed association on a live horse race  
14 shall be ten (10) cents. The minimum payout on a one (1) dollar wager on a live horse race shall  
15 be one (1) dollars and ten (10) cents, unless a minus pool occurs. If a minus pool occurs, the  
16 minimum payout for a one (1) dollar wager shall be one (1) dollar and five (5) cents.

17 (2) The minimum wager to be accepted by any licensed association on a[an] historical  
18 horse race shall be ten (10) cents. The minimum payout on any wager shall not be less than the  
19 amount wagered.

20 Section 12. Minors Prohibited from Wagering.

21 A minor shall not be permitted by any licensed association or simulcast facility to purchase  
22 or cash a pari-mutuel ticket.

1           Section 13. Odds and payouts posted.

2           (1) Approximate odds for live horse races, based on win pool betting for finishing first for  
3 each betting interest, shall be posted on one (1) or more boards or television screens within view  
4 of the wagering public at intervals of not more than ninety (90) seconds.

5           (2) If daily double wagering is conducted on a live horse race, before off-time of the  
6 second daily double race, the probable payout for each two (2) dollar daily double wager  
7 combining the winner of the first daily double race with every horse or betting interest in the  
8 second daily double race shall be posted; except that if a dead heat for first in the first daily  
9 double race occurs, or a scheduled starter in the second daily double race is excused so as to  
10 cause a consolation daily double pool, then posting of all possible payouts shall not be  
11 mandatory, but the association shall make every effort to compute such daily double prices and  
12 advise the public by posting or public address announcement as soon as possible and prior to the  
13 running of the second daily double race.

14           (3) For wagering on ~~[an]~~ historical horse races~~[race]~~, approximate odds or payouts for  
15 each pari-mutuel wagering pool shall be posted on each terminal for viewing by patrons at  
16 intervals of no more than ninety (90) seconds.

17           Section 14. Betting Explanation.

18           (1) Each association shall publish in the daily race program, for each day of live horse  
19 racing, a general explanation of pari-mutuel wagering offered on live horse races and an  
20 explanation of each type of pari-mutuel ~~[betting]~~ pool offered. The explanation also shall be  
21 posted in conspicuous places about the association grounds to adequately inform the public and  
22 shall be submitted to the commission prior to publication for approval.



1 (2) Each association shall post, in conspicuous places in the designated area, a general  
2 explanation of pari-mutuel wagering offered on historical horse races and an explanation of each  
3 pari-mutuel~~[betting]~~ pool offered. The explanation shall be submitted to the commission for  
4 approval prior to its posting.

5 Section 15. Prior Approval Required for Number of Live Horse Races.

6 Each association desiring to conduct more than nine (9) live horse races on a single day  
7 shall first apply in writing to the commission and obtain specific approval of the number of live  
8 horse races to be offered on a single day.

9 Section 16. Pari-mutuel Pools Dependent upon Entries for Live Horse Races.

10 (1) If horses representing five (5) or fewer betting interests qualify to start in a live horse  
11 race, the association may prohibit show wagering on that race. If horses representing four (4) or  
12 fewer betting interests qualify to start in a live horse race, the association may prohibit both place  
13 and show wagering on that race.

14 (2) If a horse is scratched by the stewards or judges after wagering has commenced, or if  
15 a horse is prevented from running in a live horse race because of failure of a starting-gate door  
16 to open properly, and the number of actual starters representing different betting interests is:

17 (a) Reduced to five (5), the association may cancel show wagering on that race and the  
18 entire show pool shall be refunded upon presentation and surrender of show tickets; or

19 (b) Reduced to four (4) or fewer, the association may cancel both place and show  
20 wagering on that race and the entire place and show pool shall be refunded upon presentation  
21 and surrender of place and show tickets.

1           Section 17. Emergency Situation.

2           If any emergency arises in connection with the operation of the pari-mutuel department  
3 not provided for by this administrative regulation, the pari-mutuel manager shall take immediate  
4 corrective action and shall by the quickest means possible notify the chief state steward or  
5 presiding judge and render a full report to the commission.

6           Section 18. Severability.

7           In the event that any provision or administrative regulation of this chapter is found to be  
8 invalid, the remaining provisions of this chapter shall not be affected nor diminished thereby.

810 KAR 6:030E  
READ AND APPROVED:

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Jonathan Rabinowitz	Date
Chair, Kentucky Horse Racing Commission	

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Kerry B. Harvey	Date
Secretary, Public Protection Cabinet	

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on April 22, 2021 at the Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511 via Zoom. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on April 30, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:030E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation establishes the regulatory framework that applies to all pari-mutuel wagering on live and historical horse races in the Commonwealth. It authorizes pari-mutuel wagering on historical horse races and requires the use of pari-mutuel pools for such wagers. It establishes where, and under what circumstances, pari-mutuel wagering on live and historical horse races may take place. It places requirements on how winning pari-mutuel wagers shall be paid. It requires associations to maintain records regarding all pari-mutuel wagering at their facilities and to make them available to the commission on request. It establishes guidelines for the equipment used by the association to offer pari-mutuel wagering and provides requirements for the sale of pari-mutuel tickets. It establishes minimum wager amounts and payouts for pari-mutuel wagers on live and historical horse races.

(b) The necessity of this administrative regulation: This regulation is necessary for the commission to regulate the integrity of pari-mutuel wagering in the Commonwealth.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races. This regulation establishes the regulatory framework that applies to all pari-mutuel wagering on live and historical horse races in the Commonwealth.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. This regulation provides the specific rules for pari-mutuel wagering on live and historical horse races in the Commonwealth.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This regulation is not an amendment. It is a new regulation.

(b) The necessity of the amendment to this administrative regulation: This regulation is not an amendment. It is a new regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This regulation is not an amendment. It is a new regulation.

(d) How the amendment will assist in the effective administration of the statutes: This regulation is not an amendment. It is a new regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, the owners and trainers who participate in racing in the Commonwealth, the jockeys who ride in the Commonwealth, the harness drivers who drive in the Commonwealth, the patrons who place pari-mutuel wagers on live and historical horse races in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: The emergency regulation merely updates language to comply with *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, and migrates Title 811 regulations to Title 810. This emergency regulation will not require regulated entities to take any additional compliance actions that they are not already taking.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This emergency regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission.

(c) As a result of compliance, what benefits will accrue to the entities: The associations will be able to offer pari-mutuel wagering options to patrons. Pari-mutuel wagering will increase on-track attendance and total pari-mutuel handle. The increase revenue can be used to maintain and improve racing association facilities and supplement purses for live races run at each association. The increased purses will help the associations to compete with racing associations in neighboring states that offer expanded gaming options. The owners, trainers, jockeys and harness drivers will benefit from increased purses, as well as any improvements to an association's facilities. The patrons will benefit from any improvements to an association's facilities, as well as from increased pari-mutuel wagering options.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This emergency regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(b) On a continuing basis: This emergency regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This emergency regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. As a general rule, the commission is reimbursed by the association for additional employee compensation and other expenses pursuant to KRS 230.240.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This emergency regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This emergency regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. However, as in previous version of this regulation, the associations that request and receive permission to offer pari-mutuel wagering on historical horse races will be required to reimburse the commission for the cost of compensation of additional employees and expenses pursuant to KRS 230.240.

(9) TIERING: Is tiering applied? Explain why or why not. Tiering is not applied. All aspects of this regulation will be applied equally to each association.



## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:030E  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission and the Department of Revenue.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.210, KRS 230.215, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This emergency regulation is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this emergency regulation will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering. As is the case under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This emergency regulation is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this emergency regulation will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering. As is the case under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(c) How much will it cost to administer this program for the first year? This emergency regulation is not anticipated to increase revenue any more than the current regulatory scheme does. As is the case under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

(d) How much will it cost to administer this program for subsequent years? This emergency regulation is not anticipated to increase revenue any more than the current regulatory scheme does. As is the case under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): None.

(5) Expenditures (+/-): None.

(6) Other Explanation: N/A

1 PUBLIC PROTECTION CABINET

2 KENTUCKY HORSE RACING COMMISSION

3 (Amendment)

4 810 KAR 2:001. Definitions for 810 KAR Chapter 2.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky Horse  
8 Racing Commission to regulate conditions under which thoroughbred racing shall be conducted  
9 in Kentucky. KRS 230.260(8) authorizes the commission to prescribe necessary and reasonable  
10 administrative regulations and conditions under which horse racing at a horse race meeting shall  
11 be conducted in this state. This administrative regulation defines the terms used in 810 KAR  
12 Chapter 2.

13 Section 1. Definitions.

14 (1) "Age" means the number of years since a horse was foaled, reckoned as if the horse was  
15 foaled on January 1 of the year in which the horse was foaled.

16 (2) "Arrears" means sums due by a licensee as reflected by his or her account with the  
17 horsemen's bookkeeper, including subscriptions, jockey fees, driver fees, forfeitures, and any  
18 default incident to KAR Title 810.

19 (3) "Association" is defined by KRS 230.210(5).

1 (4) "Authorized agent" means in flat racing a person currently licensed as an agent for a  
2 licensed owner, jockey, or jockey apprentice by virtue of notarized appointment of agency filed  
3 with the commission.

4 (5) "Claiming race" means a race in which ownership of a horse participating in the race  
5 may be transferred in conformity with 810 KAR 4:050 and 810 KAR 5:030.

6 (6) "Closing" means the time published by the association after which entries for a race will  
7 not be accepted by the racing secretary.

8 (7) "Commission" is defined in 810 KAR 6:001. ~~[means:~~

9 ~~(a) The Kentucky Horse Racing Commission if used in the context of the administrative~~  
10 ~~agency governing horse racing and pari-mutuel wagering; or~~

11 ~~(b) The amount an association is authorized to withhold from a pari-mutuel wager pursuant~~  
12 ~~to KRS 230.3615, if used in the context of pari-mutuel wagering.]~~

13 (8) "Conditions" means qualifications that determine a horse's eligibility to be entered in a  
14 race.

15 (9) "Dash" means in standardbred racing a race in a single trial or in a series of two (2) or  
16 three (3) races governed by one (1) entry fee for the series, in which a horse starts in all dashes  
17 with positions drawn for each dash and the number of purse distributions or payouts awarded  
18 exceeds the number of starters in the dash.

19 (10) "Day" means a twenty-four (24) hour period beginning at 12:01 a.m. and ending at  
20 midnight.

21 (11) "Declaration" means:

1 (a) In flat racing, the withdrawal of a horse entered in a race prior to time of closing of  
2 entries for the race in conformance with 810 KAR Chapter 4; or

3 (b) In standardbred racing, the naming of a particular horse as a starter in a particular race.

4 (12) "Disciplinary action" means action taken by the stewards or the commission for a  
5 violation of KRS Chapter 230 or KAR Title 810 and can include:

6 (a) Refusal to issue or renew a license;

7 (b) Revocation or suspension of a license;

8 (c) Imposition of probationary conditions on a license;

9 (d) Issuance of a written reprimand or admonishment;

10 (e) Imposition of fines or penalties;

11 (f) Denial of purse money; or

12 (g) Forfeiture of purse money.

13 (13) "Disqualification" means a ruling of the stewards, judges, or the commission revising  
14 the order of finish of a race.

15 (14) "Draw" means the process of determining post positions by lot.

16 (15) "Driver" means in standardbred racing a person who is licensed to drive a horse in a  
17 race.

18 (16) "Electronic eligibility" means a computer-generated eligibility certificate that records a  
19 horse's racing statistics.

20 (17) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
21 810.

1 (18) "Equipment" means in flat racing accoutrements other than ordinary saddle, girth, pad,  
2 saddle cloth, and bridle carried by a horse, and includes riding crop, blinkers, tongue strap,  
3 muzzle, hood, noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing  
4 plates or shoes.

5 (19) "Extended pari-mutuel meeting" means in standardbred racing a meeting or series of  
6 meetings, at which no agriculture fair is in progress, with an annual total of more than six (6) days  
7 duration and during which pari-mutuel wagering is permitted.

8 (20) "Field" or "mutuel field" means a single betting interest involving more than one (1)  
9 horse that is not a mutuel entry.

10 (21) "Foul" means an action by a jockey or driver that tends to hinder another jockey, driver,  
11 or a horse in the proper running of the race.

12 (22) "Handicap" means in standardbred racing a race in which allowances are made  
13 according to a horse's:

14 (a) Age;

15 (b) Sex;

16 (c) Claiming price; or

17 (d) Performance.

18 (23) "Handicap race" means in flat racing a race in which the weights to be carried by the  
19 horses are assigned by the association handicapper with the intent of equalizing the chances of  
20 winning for all horses entered in the race.

21 (24) "Handle" means the aggregate of all pari-mutuel pools, excluding refundable wagers.

1 (25) "Horse" means an equine irrespective of age or sex designation and registered for  
2 racing with the applicable breed registry.

3 (26) "Ineligible" means a horse or person not qualified under KAR Title 810 or conditions of  
4 a race to participate in a specified racing activity.

5 (27) "Inquiry" means an investigation by the stewards or judges of a contest prior  
6 to declaring the result of the contest official.

7 (28) "Jockey" means a rider currently licensed to ride in races as a jockey, apprentice jockey,  
8 amateur jockey, or a provisional jockey permitted by the stewards to ride in three (3) races prior  
9 to applying for a license.

10 (29) "Judge" means a duly appointed racing official with powers and duties specified in 810  
11 KAR 2:050 serving at a current meeting in the Commonwealth.

12 (30) "Licensed premises" is defined in 810 KAR 6:001.~~means:~~

13 ~~(a) The location and physical plant described in response to question R of the~~  
14 ~~"Commonwealth of Kentucky Initial/Renewal Application for License to Conduct Live Horse~~  
15 ~~Racing, Simulcasting, and Pari-Mutuel Wagering" filed for racing to be conducted in the following~~  
16 ~~year;~~

17 ~~(b) Real property of an association, if the association receives approval from the~~  
18 ~~commission for a new location at which live racing will be conducted; or~~

19 ~~(c) One (1) facility or real property that is:~~

20 ~~1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of~~  
21 ~~the association's track but not contiguous to track premises, upon commission approval; and~~

1           ~~2. For purposes of paragraphs (b) and (c) of this subsection, is not within a sixty (60) mile~~  
2 ~~radius of another licensed track premise where live racing is conducted and not within a forty~~  
3 ~~(40) mile radius of a simulcast facility, unless any affected track or simulcast facility agrees in~~  
4 ~~writing to permit a noncontiguous facility within the protected geographic area.]~~

5           (31) "Licensee" means an individual, firm, association, partnership, corporation, trustee, or  
6 legal representative that has been duly issued a currently valid license to participate in racing in  
7 the Commonwealth.

8           (32) "Meeting" means the entire period of consecutive days, exclusive of dark days, granted  
9 by the commission to a licensed association for the conduct of live horse racing that:

10           (a) Begins at 10 a.m. of the first racing day; and

11           (b) Extends through a period ending one (1) hour after the last scheduled race of the last  
12 day.

13           (33) "Month" means calendar month.

14           (34) "Nomination" means a subscription or entry of a horse in a stakes or early closing race.

15           (35) "Nominator" means the person in whose name a horse is entered for a stakes race.

16           (36) "Objection" means a verbal claim of foul in a race lodged by the horse's jockey, driver,  
17 trainer, or owner before the race is declared official.

18           (37) "Official order of finish" means the order of finish of the horses in a contest as declared  
19 official by the stewards or judges.

20           (38) "Official time" means the elapsed time from the moment the first horse crosses the  
21 timing beam until the first horse crosses the finish line.



1 (39) "Owner" means a person who holds, in whole or in part, any right, title, or interest in  
2 a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as a  
3 person responsible for the horse.

4 (40) "Pari-mutuel wagering", "mutuel wagering", or "pari-mutuel system of wagering" is  
5 defined in 810 KAR 6:001. [~~each means a system or method of wagering approved by the~~  
6 ~~commission in which patrons are wagering among themselves and not against the association~~  
7 ~~and amounts wagered are placed in one (1) or more designated wagering pools and the net pool~~  
8 ~~is returned to the winning patrons.~~]

9 (41) "Patron" means an individual present at a track, a licensed premises, or a simulcast  
10 facility who observes or wagers on a live or historical horse race.

11 (42) "Post" means the starting point of a race.

12 (43) "Post position" means the relative place assigned to each horse, numbered from the  
13 inner rail across the track at the starting line, from which each horse is to start a race.

14 (44) "Post time" means the advertised moment scheduled for the arrival of all horses at the  
15 starting point for a race.

16 (45) "Prize" means the combined total of any cash, premium, trophy, and object of value  
17 awarded to the owners of horses according to order of finish in a race.

18 (46) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
19 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
20 rules, which, if true, would exclude that horse or driver from racing.

21 (47) "Purse" means the gross cash portion of the prize for which a race is run.

1 (48) "Race" means a running contest between horses, ridden by jockeys or driven by drivers  
2 at a recognized meeting, during regular racing hours, for a prize.

3 (49) "Race day" means a period of twenty-four (24) hours beginning at 12:01 a.m. and  
4 ending at midnight in which live racing is conducted by an association.

5 (50) "Racing official" means a racing commission member, commission staff as duties  
6 require, and all association racing department employees, as duties require.

7 (51) "Registration certificate" means the document, racing permit, or virtual certificate  
8 issued by the appropriate breed registry identifying the horse for racing.

9 (52) "Result" means the part of the official order of finish in a race used to determine the  
10 pari-mutuel payoff of pari-mutuel pools.

11 (53) "Rulings" means determinations, decisions, or orders of the stewards, judges, or of the  
12 commission duly issued in writing and posted.

13 (54) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
14 of entries for the race in conformance with KAR Title 810.

15 (55) "Scratch time" means the time set by the racing secretary as a deadline for horsemen  
16 to indicate their desire to scratch out of a race.

17 (56) "Simulcasting" is defined by KRS 230.210~~[(19)]~~.

18 (57) "Starter" means:

19 (a) An official who dispatches the horses from the starting gate; or

20 (b) A horse in a race when the starting gate doors open in front of it at the moment the  
21 starter dispatches the horses for the race.

1 (58) "Steward" means a duly appointed racing official with powers and duties specified in  
2 810 KAR 2:040 serving at a current meeting in the Commonwealth.

3 (59) "Subscription" means nomination or entry of a horse in a stakes race.

4 (60) "Suspended" means withdrawal by the steward, judge, or commission of racing  
5 privileges.

6 (61) "Thoroughbred racing" is defined by KRS 230.210[~~(21)~~].

7 (62) "Totalizator" means the system, including hardware, software, communications  
8 equipment, and electronic devices that accepts and processes the cashing of wagers, calculates  
9 the odds and prices of the wagers, and records, displays, and stores pari-mutuel wagering  
10 information.

11 (63) "Year" means twelve (12) consecutive months beginning with January and ending with  
12 December.

810 KAR 2:001  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 a.m. on May 24, 2021 at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 2:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 2.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 2 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 2.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 2.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definitions of "commission," and "licensed premises," as well as "pari-mutuel wagering, mutuel wagering, or pari-mutuel system of wagering," so that they cross-reference the definitions for those terms found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the eight currently-licensed racing associations in the Commonwealth and any applicant for a racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.



## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 2:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Amendment)

4 810 KAR 3:001. Definitions for 810 KAR Chapter 3.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes~~[grants]~~ the  
8 Kentucky Horse Racing Commission (the "commission")~~[commission the authority to]~~ regulate  
9 conditions under which horse racing is conducted in Kentucky. KRS 230.260(8) authorizes~~[grants]~~  
10 the commission ~~[the authority]~~ to prescribe necessary and reasonable administrative regulations  
11 and conditions under which horse racing at a horse race meeting shall be conducted in this state.  
12 This administrative regulation defines the terms used in 810 KAR Chapter 3.

13 Section 1. Definitions.

14 (1) "Age" means the number of years since a horse was foaled, reckoned as if the horse  
15 was foaled on January 1 of the year in which the horse was foaled.

16 (2) "Allowance race" means a race in which contestants receive weight allowance based  
17 on performance or winnings as stipulated in the conditions of the race.

18 (3) "ARCI" means the Association of Racing Commissioners International.

19 (4) "Association" is defined by KRS 230.210~~[(5)]~~.

1 (5) "Authorized agent" means in flat racing any person currently licensed as an agent for  
2 a licensed owner, jockey, or jockey apprentice by virtue of notarized appointment of agency filed  
3 with the commission.

4 (6) "Claiming race" means a race in which ownership of a horse participating in the race  
5 may be transferred in conformity with 810 KAR 4:050 and 810 KAR 5:030

6 (7) "Commission" is defined in 810 KAR 6:001. [~~means:~~

7 ~~(a) The Kentucky Horse Racing Commission if used in the context of the administrative~~  
8 ~~agency governing horse racing and pari-mutuel wagering; or~~

9 ~~(b) The amount an association is authorized to withhold from a pari-mutuel wager~~  
10 ~~pursuant to KRS 230.3615, if used in the context of pari-mutuel wagering.]~~

11 (8) "Conditions" means qualifications that determine a horse's eligibility to be entered in  
12 a race.

13 (9) "Coupled entry" means two (2) or more horses in a race that are treated as a single  
14 betting interest for parimutuel wagering purposes.

15 (10) "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and ending  
16 at midnight.

17 (11) "Directive" means an official order issued by the commission or the executive  
18 director.

19 (12) "Draw" means the process of determining post positions by lot.

20 (13) "Driver" means in standardbred racing a person who is licensed to drive a horse in a  
21 race.

1           (14) "Early closing race" means in standardbred racing a race for a definite amount of  
2 money in which entries close at least six (6) weeks prior to the race.

3           (15) "Electronic eligibility" means a computer-generated eligibility certificate that records  
4 a horse's racing statistics.

5           (16) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
6 810.

7           (17) "Equipment" means in flat racing accoutrements other than ordinary saddle, girth,  
8 pad, saddle cloth, and bridle carried by a horse, and includes whip, blinkers, tongue strap, muzzle,  
9 hood, noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing plates or  
10 shoes.

11           (18) "Horse" means any equine irrespective of age or sex designation and registered for  
12 racing with the applicable breed registry.

13           (19) "Ineligible" means a horse or person not qualified under KAR Title 810 or conditions  
14 of a race to participate in a specified racing activity.

15           (20) "Jockey" means a rider currently licensed to ride in races as a jockey, apprentice  
16 jockey, amateur jockey, or a provisional jockey permitted by the stewards to ride in three (3)  
17 races prior to applying for a license.

18           (21) "Judge" means a duly appointed racing official with powers and duties specified in  
19 810 KAR 2:050 serving at a current meeting in the Commonwealth.

20           (22) "Lessee" means a licensed owner whose interest in a horse is a leasehold.

1 (23) "Licensee" means an individual, firm, association, partnership, corporation, limited  
2 liability company, trustee, or legal representative that has been duly issued a currently valid  
3 license to participate in racing in the Commonwealth.

4 (24) "Meeting" means the entire period of consecutive days, exclusive of dark days,  
5 granted by the commission to a licensed association for the conduct of live horse racing. A  
6 meeting shall begin at 10 a.m. of the first racing day and extend through a period ending one (1)  
7 hour after the last scheduled race of the last day.

8 (25) "Mutuel entry" means a single betting interest involving two (2) or more horses  
9 entered in the same race and joined for parimutuel purposes because of common ties as to  
10 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
11 horses joined in the same mutuel entry.

12 (26) "Nominal change in ownership" means the sale, pledge, encumbrance, execution of  
13 an option agreement, or any other transfer of less than five (5) percent of the equity securities  
14 or other ownership interest of a partnership, association, corporation, limited liability company,  
15 or other legal entity holding a license issued by the commission.

16 (27) "Owner" means any person who holds, in whole or in part, any right, title, or interest  
17 in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as  
18 a person responsible for the horse.

19 (28) "Parimutuel wagering," "mutuel wagering", or "parimutuel system of wagering" is  
20 defined in 810 KAR 6:001.~~each means a system or method of wagering approved by the~~  
21 ~~commission in which patrons are wagering among themselves and not against the association~~

1 and amounts wagered are placed in one (1) or more designated wagering pools and the net pool  
2 is returned to the winning patrons.]

3 (29) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
4 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
5 rules which, if true, would exclude that horse or driver from racing.

6 (30) "Purse" means the gross cash portion of the prize for which a race is run.

7 (31) "Race" means a running contest between horses ridden by jockeys or driven by  
8 drivers at a recognized meeting, during regular racing hours, for a prize.

9 (32) "Racing official" means a racing commission member, commission staff, as duties  
10 require, and all association racing department employees, as duties require.

11 (33) "Result" means the part of the official order of finish in a race used to determine the  
12 parimutuel payoff of pari-mutuel pools.

13 (34) "Ruled off" means denial of entrance to premises of any association under  
14 jurisdiction of the commission.

15 (35) "Rulings" means all determinations, decisions, or orders of the stewards or of the  
16 commission duly issued in writing and posted.

17 (36) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
18 of entries for the race.

19 (37) "Simulcasting" is defined by KRS 230.210~~[(19)]~~.

20 (38) "Steward" means a duly appointed racing official with powers and duties specified in  
21 810 KAR 2:040 serving at a current meeting in the Commonwealth.

1           (39) "Substantial change in ownership" means the sale, pledge, encumbrance, execution  
2 of an option agreement, or any other transfer of five (5) percent or more of the equity securities  
3 or other ownership interest of a partnership, association, corporation, limited liability company,  
4 or other legal entity holding a license issued by the commission.

5           (40) "Suspended" means withdrawal of racing privileges by the stewards or commission.

6           (41) "Totalizator" means the system, including hardware, software, communications  
7 equipment, and electronic devices, that accepts and processes the cashing of wagers, calculates  
8 the odds and prices of the wagers, and records, displays, and stores parimutuel wagering  
9 information.

10          (42) "USTA" means the United States Trotting Association.

11          (43) "Workout" means in flat racing the training exercise of a horse on the training track  
12 or main track of an association during which the horse is timed for speed over a specified  
13 distance.

14          (44) "Year" means twelve (12) consecutive months beginning with January and ending  
15 with December.



810 KAR 3:001  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at May 24, 2021 at 9:00 AM at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [Jennifer.wolsing@ky.gov](mailto:Jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 3:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: Jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 3.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 3 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 3.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 3.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definitions of "commission" and "pari-mutuel wagering, mutuel wagering, or pari-mutuel system of wagering," so that they cross-reference the definitions for those terms found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the eight currently-licensed racing associations in the Commonwealth and any applicant for a racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 3:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: Jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Amendment)

4 810 KAR 4:001. Definitions for 810 KAR Chapter 4.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215, 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes~~[grants]~~ the  
8 Kentucky Horse Racing Commission ("commission")~~[commission the authority]~~ to regulate  
9 conditions under which thoroughbred racing shall be conducted in Kentucky. KRS 230.260(8)  
10 authorizes~~[grants]~~ the commission ~~[the authority]~~ to prescribe necessary and reasonable  
11 administrative regulations and conditions under which horse racing at a horse race meeting shall  
12 be conducted in Kentucky~~[this state]~~. This administrative regulation defines the terms used in  
13 810 KAR Chapter 4.

14 Section 1. Definitions.

15 (1) "Added money" means the amount of money, exclusive of trophy, added into a stakes  
16 race by an association, a sponsor, a state-bred program, or other fund, and that is in addition to  
17 stakes fees paid by subscribers.

18 (2) "Age" means the number of years since a horse was foaled, reckoned as if the horse  
19 was foaled on January 1 of the year in which the horse was foaled.



1 (3) "Allowance race" means a race in which contestants receive weight allowance based  
2 on performance or winnings as stipulated in the conditions of the race.

3 (4) "Also eligible" means in flat racing an eligible horse, properly entered, which is not  
4 drawn for inclusion in a race, but which becomes eligible according to preference or lot if another  
5 horse is scratched prior to the scratch time deadline.

6 (5) "Appeal" means a request for the commission to investigate, consider, and review any  
7 decision or ruling of a steward [~~or judge~~] or official of a meeting.

8 (6) "Arrears" means all sums due by a licensee as reflected by his or her account with the  
9 horsemen's bookkeeper, including subscriptions, jockey fees, [~~driver fees,~~] forfeitures, and any  
10 default incident to KAR Title 810.

11 (7) "Association" is defined by KRS 230.210[~~(5)~~].

12 (8) "Authorized agent" means in flat racing any person currently licensed as an agent for  
13 a licensed owner, jockey, or jockey apprentice by virtue of notarized appointment of agency filed  
14 with the commission.

15 (9) "Calendar days" means consecutive days counted irrespective of number of racing  
16 days.

17 (10) "Claiming race" means a race in which ownership of a horse participating in the race  
18 may be transferred in conformity with 810[~~811~~] KAR 4:050.

19 (11) "Closing" means the time published by the association after which entries for a race  
20 are not accepted by the racing secretary.

21 (12) "Coggins test" means a blood test used to determine if a horse is positive for Equine  
22 Infectious Anemia.

1 (13) "Commission" is defined in 810 KAR 6:001. [~~means:~~

2 ~~(a) The Kentucky Horse Racing Commission if used in the context of the administrative~~  
3 ~~agency governing horse racing and pari-mutuel wagering; or~~

4 ~~(b) The amount an association is authorized to withhold from a pari-mutuel wager~~  
5 ~~pursuant to KRS 230.3615, if used in the context of pari-mutuel wagering.]~~

6 (14) "Conditions" means qualifications that determine a horse's eligibility to be entered  
7 in a race.

8 (15) "Coupled entry" means two (2) or more horses in a race that are treated as a single  
9 betting interest for parimutuel wagering purposes.

10 (16) "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and ending  
11 at midnight.

12 (17) "Declaration" means in flat racing the withdrawal of a horse entered in a race prior  
13 to time of closing of entries for the race in conformance with 810 KAR 4:030.

14 (18) "Directive" means an official order issued by the commission or the executive  
15 director.

16 (19) "Disciplinary action" means action taken by the stewards or the commission for a  
17 violation of KRS Chapter 230 or KAR Title 810 and can include:

18 (a) Refusal to issue or renew a license;

19 (b) Revocation or suspension of a license;

20 (c) Imposition of probationary conditions on a license;

21 (d) Issuance of a written reprimand or admonishment;

22 (e) Imposition of fines or penalties;

- 1 (f) Denial of purse money;
- 2 (g) Forfeiture of purse money; or
- 3 (h) Any combination of paragraphs (a) through (g) of this subsection.
- 4 (20) "Disqualification" means a ruling of the stewards~~[, judges,]~~ or the commission  
5 revising the order of finish of a race.
- 6 (21) "Draw" means the process of determining post positions by lot.
- 7 (22) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
8 810.
- 9 (23) "Equipment" means in flat racing accoutrements other than ordinary saddle, girth,  
10 pad, saddle cloth, and bridle carried by a horse, and includes riding crop], blinkers, tongue strap,  
11 muzzle, hood, noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing  
12 plates or shoes.
- 13 (24) "Field" or "mutuel field" means a single betting interest, which is not a mutuel entry,  
14 involving more than one (1) horse.
- 15 (25) "Forfeit" means money due by a licensee because of an error, fault, neglect of duty,  
16 breach of contract, or alternative ruling of the stewards~~[, judges,]~~ or the commission.
- 17 (26) "Foul" means any action by any jockey ~~[or driver]~~ that tends to hinder another jockey  
18 or any horse in the proper running of the race.
- 19 (27) "Handicap race" means in flat racing a race in which the weights to be carried by the  
20 horses are assigned by the association handicapper with the intent of equalizing the chances of  
21 winning for all horses entered in the race.

1 (28) "Horse" means any equine irrespective of age or sex designation and registered for  
2 racing with the applicable breed registry.

3 (29) "Ineligible" means a horse or person not qualified under Title 810 KAR or conditions  
4 of a race to participate in a specified racing activity.

5 (30) "Inquiry" means an investigation by the stewards [~~or judges~~] of a contest prior to  
6 declaring the result of the contest official.

7 (31) "Jockey" means a rider currently licensed to ride in races as a jockey, apprentice  
8 jockey, amateur jockey, or a provisional jockey permitted by the stewards to ride in three (3)  
9 races prior to applying for a license.

10 (32) "Lessee" means a licensed owner whose interest in a horse is a leasehold.

11 (33) "Licensee" means an individual, firm, association, partnership, corporation, trustee,  
12 or legal representative that has been duly issued a currently valid license to participate in racing  
13 in the Commonwealth.

14 (34) "Maiden" means in flat racing, a horse that has never won a race at a recognized  
15 meeting in any country.

16 (35) "Meeting" means the entire period of consecutive days, exclusive of dark days,  
17 granted by the commission to a licensed association for the conduct of live horse racing. A  
18 meeting begins at 10 a.m. of the first racing day and extend through a period ending one (1) hour  
19 after the last scheduled race of the last day.

20 (36) "Month" means calendar month.

21 (37) "Mutuel entry" means a single betting interest involving two (2) or more horses  
22 entered in the same race and joined for parimutuel purposes because of common ties as to

1 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
2 horses joined in the same mutuel entry.

3 (38) "Nominator" means the person in whose name a horse is entered for a stakes race.

4 (39) "Objection" means a verbal claim of foul in a race lodged by the horse's jockey,  
5 ~~driver,~~ trainer, or owner before the race is declared official.

6 (40) "Official order of finish" means the order of finish of the horses in a contest as  
7 declared official by the stewards ~~or judges~~.

8 (41) "Official time" means the elapsed time from the moment the first horse crosses the  
9 timing beam until the first horse crosses the finish line.

10 (42) "Owner" means any person who holds, in whole or in part, any right, title, or interest  
11 in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as  
12 a person responsible for the horse.

13 (43) "Parimutuel wagering", "mutuel wagering", or "parimutuel system of wagering" is  
14 defined in 810 KAR 6:001. ~~[each means a system or method of wagering approved by the~~  
15 ~~commission in which patrons are wagering among themselves and not against the association~~  
16 ~~and amounts wagered are placed in one (1) or more designated wagering pools and the net pool~~  
17 ~~is returned to the winning patrons.]~~

18 (44) "Post" means the starting point of a race.

19 (45) "Post position" means the relative place assigned to each horse, numbered from the  
20 inner rail across the track at the starting line, from which each horse is to start a race.

21 (46) "Post time" means the advertised moment scheduled for the arrival of all horses at  
22 the starting point for a race.

1 (47) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
2 improper entry procedures, or citing any act of an owner, trainer, [~~driver,~~] or official prohibited  
3 by rules, which, if true, would exclude that horse or driver from racing.

4 (48) "Purse" means the gross cash portion of the prize for which a race is run.

5 (49) "Purse race" means any race for which entries close at a time designated by the racing  
6 secretary, and for which owners of horses entered are not required by its conditions to contribute  
7 money toward its purse.

8 (50) "Race" means a running contest between horses[~~],~~ ridden by jockeys [~~or driven by~~  
9 ~~drivers]~~ at a recognized meeting, during regular racing hours, for a prize.

10 (51) "Race day" means any period of twenty-four (24) hours beginning at 12:01 a.m. and  
11 ending at midnight in which live racing is conducted by an association.

12 (52) "Racing official" means a racing commission member, commission staff, as duties  
13 require, and all association racing department employees, as duties require.

14 (53) "Recognized meeting" means any meeting with regularly scheduled live horse races,  
15 licensed by and conducted under administrative regulations promulgated by a governmental  
16 regulatory body, and conducted with the applicable breed registry.

17 (54) "Registration certificate" means the document, racing permit, or virtual certificate  
18 issued by the appropriate breed registry identifying the horse for racing.

19 (55) "Result" means the part of the official order of finish in a race used to determine the  
20 parimutuel payoff of pari-mutuel pools.

21 (56) "Rulings" means all determinations, decisions, or orders of the stewards or of the  
22 commission duly issued in writing and posted.

1 (57) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
2 of entries for the race.

3 (58) "Scratch time" means the time set by the racing secretary as a deadline for horsemen  
4 to indicate their desire to scratch out of a race.

5 (59) "Specimen" means a sample of blood, urine, or other biologic sample taken or drawn  
6 from a horse for chemical testing.

7 (60) "Stakes" mean all fees paid by subscribers to an added-money or stakes race for  
8 nominating, eligibility, entrance, or starting, as required by the conditions of the race, with the  
9 fees to be included in the purse.

10 (61) "Stakes race" means a race that closes more than seventy-two (72) hours in advance  
11 of its running and for which subscribers contribute money towards its purse

12 (62) "Starter" means either:

13 (a) An official who dispatches the horses from the starting gate; or

14 (b) A horse in a race when the starting gate doors open in front of it at the moment the  
15 starter dispatches the horses for the race.

16 (63) "Steward" means a duly appointed racing official with powers and duties established  
17 in 810 KAR 2:040 serving at a current meeting in the Commonwealth.

18 (64) "Subscription" means nomination or entry of a horse in a stakes race.

19 (65) "Suspended" means withdrawal of racing privileges by the stewards or commission.

20 (66) "Thoroughbred racing" is defined by KRS 230.210[~~(21)~~].

21 (67) "Tote" or "tote board" means the totalizator.

22 (68) "Unplaced" means a horse that finishes a race outside the pari-mutuel payoff.

1           (69) "Walkover" means a race in which the only starter or all starters represent single  
2 ownership.

3           (70) "Weigh in" means in flat racing the presentation of a jockey to the clerk of scales for  
4 weighing after a race.

5           (71) "Weigh out" means in flat racing the presentation of a jockey to the clerk of scales  
6 for weighing prior to a race.



810 KAR 4:001  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at May 24, 2021 at 9:00 AM at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511 via Zoom. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 4:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 4.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 4 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 4.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 4.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definitions of "commission" and "pari-mutuel wagering, mutuel wagering, or pari-mutuel system of wagering," so that they cross-reference the definitions for those terms found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the five currently-licensed thoroughbred racing associations in the Commonwealth and any applicant for a thoroughbred, flat, and/or steeplechase racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 4:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None

1 PUBLIC PROTECTION CABINET

2 KENTUCKY HORSE RACING COMMISSION

3 (Amendment)

4 810 KAR 5:001. Definitions for 810 KAR Chapter 5.

5 RELATES TO: KRS 230.210, 230.215, 230.260, 230.3615

6 STATUTORY AUTHORITY: KRS 230.215, 230.260(8)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky Horse  
8 Racing Commission to promulgate administrative regulations establishing conditions under  
9 which standardbred~~[thoroughbred]~~ racing shall be conducted in Kentucky. KRS 230.260(8)  
10 authorizes the commission to promulgate necessary and reasonable administrative regulations  
11 establishing conditions under which horse racing at a horse race meeting shall be conducted in  
12 this state. This administrative regulation defines the terms used in 810 KAR Chapter 5.

13 Section 1. Definitions.

14 (1) "Added money" means the amount of money, exclusive of trophy, added into a stakes  
15 race by an association, a sponsor, a state-bred program, or other fund, and which is in addition  
16 to stakes fees paid by subscribers.

17 (2) "Age" means the number of years since a horse was foaled, reckoned as if the horse was  
18 foaled on January 1 of the year in which the horse was foaled.

19 (3) "Also eligible" means in standardbred racing:



1 (a) An eligible horse, properly entered, which is not drawn for inclusion in a race, but which  
2 becomes eligible according to preference or lot if another horse is scratched prior to the scratch  
3 time deadline; or

4 (b) The next preferred nonqualifier for the finals, or consolation from a set of elimination  
5 trials, which becomes eligible if a finalist is scratched by the judges for a rule violation, or is  
6 otherwise eligible if written race conditions permit.

7 (4) "Appeal" means a request for the commission to investigate, consider, and review any  
8 decision or ruling of a ~~[steward,]~~judge[, ] or official of a meeting.

9 (5) "ARCI" means the Association of Racing Commissioners International.

10 (6) "Association" is defined by KRS 230.210~~[(5)]~~.

11 (7) "Claiming race" means a race in which ownership of a horse participating in the race  
12 may be transferred in conformity with 810 KAR 5:030.

13 (8) "Closing" means the time published by the association after which entries for a race will  
14 not be accepted by the racing secretary.

15 (9) "Coggins test" means a blood test used to determine if a horse is positive for Equine  
16 Infectious Anemia.

17 (10) "Commission" is defined in 810 KAR 6:001. ~~[means:~~

18 ~~(a) The Kentucky Horse Racing Commission if used in the context of the administrative~~  
19 ~~agency governing horse racing and pari-mutuel wagering; or~~

20 ~~(b) The amount an association is authorized to withhold from a pari-mutuel wager pursuant~~  
21 ~~to KRS 230.3615, if used in the context of pari-mutuel wagering.]~~

1 (11) "Condition race" means an overnight race in which eligibility is determined according  
2 to specified conditions, which may include the following:

- 3 (a) Age;
- 4 (b) Sex;
- 5 (c) Earnings;
- 6 (d) Number of starts; or
- 7 (e) Positions of finishes.

8 (12) "Conditions" means qualifications that determine a horse's eligibility to be entered in  
9 a race.

10 (13) "Coupled entry" means two (2) or more horses in a race that are treated as a single  
11 betting interest for pari-mutuel wagering purposes.

12 (14) "Dash" means ~~[in standardbred racing]~~ a race in a single trial or in a series of two (2) or  
13 three (3) races governed by one (1) entry fee for the series, in which:

- 14 (a) A horse starts in all races with positions drawn for each race; and
- 15 (b) The number of purse distributions or payouts awarded does exceed the number of  
16 starters in the race.

17 (15) "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and ending at  
18 midnight.

19 (16) "Declaration" means ~~[in Standardbred racing]~~ the naming of a particular horse as a  
20 starter in a particular race.

21 (17) "Disqualification" means a ruling of the ~~[stewards,]~~ judges[,], or the commission revising  
22 the order of finish of a race.

1 (18) "Draw" means the process of determining post positions by lot.

2 (19) "Driver" means [~~in standardbred racing~~] a person who is licensed to drive a horse in a  
3 race.

4 (20) "Early closing race" means [~~in standardbred racing~~] a race for a definite amount of  
5 money in which entries close at least six (6) weeks prior to the race.

6 (21) "Electronic eligibility" means a computer-generated eligibility certificate that records a  
7 horse's racing statistics.

8 (22) "Elimination heat" means [~~in standardbred racing~~] an individual heat of a race in which  
9 the contestants qualify for a final heat.

10 (23) "Entry" means the act of nominating a horse for a race in conformance with KAR Title  
11 810.

12 (24) "Extended pari-mutuel meeting" means [~~in standardbred racing~~] a meeting or series of  
13 meetings:

14 (a) At which no agriculture fair is in progress;

15 (b) With an annual total of more than six (6) days duration; and

16 (c) During which pari-mutuel wagering is permitted.

17 (25) "Field" or "mutuel field" means a single betting interest involving more than one (1)  
18 horse that is not a mutuel entry.

19 (26) "Forfeit" means money due by a licensee because of an error, fault, neglect of duty,  
20 breach of contract, or alternative ruling of the [~~stewards,~~] judges[,] or the commission.

21 (27) "Foul" means any action by any [~~jockey or~~] driver that tends to hinder another driver,  
22 [~~jockey,~~] or any horse in the proper running of the race.

1 (28) "Futurity" means [~~in standardbred racing~~] a stake in which the dam of the competing  
2 animal is nominated either when in foal or during the year of foaling.

3 (29) "Handicap" means [~~in standardbred racing~~] a race in which allowances are made  
4 according to a horse's:

5 (a) Age;

6 (b) Sex;

7 (c) Claiming price; or

8 (d) Performance.

9 (30) "Horse" means any equine registered for racing with the applicable breed registry,  
10 irrespective of age or sex designation.

11 (31) "Ineligible" means a horse or person not qualified under Title 810 KAR or conditions of  
12 a race to participate in a specified racing activity.

13 (32) "In harness" means [~~in standardbred racing,~~] that the performance will be to a sulky.

14 (33) "Judge" means a duly appointed racing official with powers and duties specified in 810  
15 KAR 2:050 serving at a current meeting in the Commonwealth.

16 (34) "Late closing race" means [~~in standardbred racing~~] a race for a fixed amount of money  
17 in which entries close less than six (6) weeks but more than three (3) days before the race is to  
18 be contested.

19 (35) "Lessee" means a licensed owner whose interest in a horse is a leasehold.

20 (36) "Licensed premises" is defined in 810 KAR 6:001. [~~means:~~

21 ~~(a) The location and physical plant described in response to question 5 of the~~  
22 ~~"Commonwealth of Kentucky Initial/Renewal Application for License to Conduct Live Horse~~

1 ~~Racing, Simulcasting, and Pari-Mutuel Wagering" filed for racing to be conducted in the following~~  
2 ~~year;~~

3 ~~— (b) Real property of an association, if the association receives approval from the~~  
4 ~~commission for a new location at which live racing will be conducted; or~~

5 ~~— (c) One (1) facility or real property that is:~~

6 ~~— 1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of~~  
7 ~~the association's track but not contiguous to track premises, upon commission approval; and~~

8 ~~— 2. For purposes of paragraphs (b) and (c) of this subsection, is not within a sixty (60) mile~~  
9 ~~radius of another licensed track premises where live racing is conducted and not within a forty~~  
10 ~~(40) mile radius of a simulcast facility, unless any affected track or simulcast facility agrees in~~  
11 ~~writing to permit a noncontiguous facility within the protected geographic area.]~~

12 (37) "Licensee" means an individual, firm, association, partnership, corporation, trustee, or  
13 legal representative that has been duly issued a currently valid license to participate in racing in  
14 the Commonwealth.

15 (38) "Meeting" means the entire period of consecutive days, exclusive of dark days, granted  
16 by the commission to a licensed association for the conduct of live horse racing that:

17 (a) Begins at 10 a.m. of the first racing day; and

18 (b) Extends through a period ending one (1) hour after the last scheduled race of the last  
19 day.

20 (39) "Month" means calendar month.

21 (40) "Mutuel entry" means a single betting interest involving two (2) or more horses  
22 entered in the same race and joined for pari-mutuel purposes because of common ties as to

1 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
2 horses joined in the same mutuel entry.

3 (41) "Nomination" means a subscription or entry of a horse in a stakes or early closing race.

4 (42) "Nominator" means the person in whose name a horse is entered for a stakes race.

5 (43) "Objection" means a verbal claim of foul in a race lodged by the horse's ~~[jockey,]~~ driver,  
6 trainer, or owner before the race is declared official.

7 (44) "Official time" means the elapsed time from the moment the first horse crosses the  
8 timing beam until the first horse crosses the finish line.

9 (45) "Overnight race" means a contest for which entries close at a time set by the racing  
10 secretary.

11 (46) "Owner" means any person who holds, in whole or in part, any right, title, or interest  
12 in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's license as  
13 a person responsible for the horse.

14 (47) "Pari-mutuel wagering," "mutuel wagering", or "pari-mutuel system of wagering" is  
15 defined in 810 KAR 6:001. ~~[each means a system or method of wagering approved by the~~  
16 ~~commission in which patrons are wagering among themselves and not against the association~~  
17 ~~and amounts wagered are placed in one (1) or more designated wagering pools and the net pool~~  
18 ~~is returned to the winning patrons.]~~

19 (48) "Patron" means an individual present at a track, a licensed premises, or a simulcast  
20 facility who observes or wagers on a live or historical horse race.

21 (49) "Post" means the starting point of a race.

1 (50) "Post position" means the relative place assigned to each horse, numbered from the  
2 inner rail across the track at the starting line, from which each horse is to start a race.

3 (51) "Post time" means the advertised moment scheduled for the arrival of all horses at the  
4 starting point for a race.

5 (52) "Protest" means a written objection charging that a horse is ineligible to race, alleging  
6 improper entry procedures, or citing any act of an owner, trainer, driver, or official prohibited by  
7 rules which, if true, would exclude that horse or driver from racing.

8 (53) "Purse" means the gross cash portion of the prize for which a race is run.

9 (54) "Purse race" means any race for which entries close at a time designated by the racing  
10 secretary, and for which owners of horses entered are not required by its conditions to contribute  
11 money toward its purse.

12 (55) "Race" means a running contest between horses, ~~[ridden by jockeys or]~~ driven by  
13 drivers at a recognized meeting, during regular racing hours, for a prize.

14 (56) "Race day" means any period of twenty-four (24) hours beginning at 12:01 a.m. and  
15 ending at midnight in which live racing is conducted by an association.

16 (57) "Racing official" means a racing commission member, commission staff, as duties  
17 require, and all association racing department employees, as duties require.

18 (58) "Registration certificate" means the document, racing permit, or virtual certificate  
19 issued by the appropriate breed registry identifying the horse for racing.

20 (59) "Result" means the part of the official order of finish in a race used to determine the  
21 pari-mutuel payoff of pari-mutuel pools.

1 (60) "Rulings" means all determinations, decisions, or orders of the judges~~[stewards]~~ or of  
2 the commission issued in writing and posted.

3 (61) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
4 of entries for the race in conformance with Title 810 KAR.

5 (62) "Scratch time" means the time set by the racing secretary as a deadline for horsemen  
6 to indicate their desire to scratch out of a race.

7 (63) "Simulcasting" is defined by KRS 230.210~~[(19)]~~.

8 (64) "Stable name" means ~~[in standardbred racing]~~ a name used other than the actual legal  
9 name of an owner or lessee and which has been registered with the United States Trotting  
10 Association.

11 (65) "Stake" means ~~[in standardbred racing]~~ a race which will be contested in a year  
12 subsequent to its closing:

13 (a) In which the money given by the association conducting the race is added to the money  
14 contributed by the nominators, all of which, except deductions for breeders or nominator's  
15 awards, belongs to the winner or winners; and

16 (b) In which, except as provided in 810 KAR 5:050, Section 6, all of the money contributed  
17 by the nominators belongs to the winner or winners.

18 (66) "Stakes" mean all fees:

19 (a) Paid by subscribers to an added-money or stakes race for nominating, eligibility,  
20 entrance, or starting, as required by the conditions of the race; and

21 (b) Included in the purse.

22 (67) "Starter" means either:



1 (a) An official who dispatches the horses from the starting gate; or

2 (b) A horse in a race when the starting gate doors open in front of it at the moment the  
3 starter dispatches the horses for the race.

4 (68) "Subscription" means nomination or entry of a horse in a stakes race.

5 (69) "Sulky" means a dual-wheel racing vehicle with dual shafts not exceeding the height of  
6 the horse's withers.

7 (70) "Suspended" means withdrawal of racing privileges by the judges or commission.

8 (71) "USTA" means the United States Trotting Association.

9 (72) "Year" means twelve (12) consecutive months beginning with January and ending with  
10 December.

810 KAR 5:001  
READ AND APPROVED:

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Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission

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Kerry Harvey

Date

Secretary, Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 a.m. on May 24, 2021, at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 5:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for terms used in 810 KAR Chapter 5.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to ensure that various terms used in 810 KAR Chapter 5 are defined properly and precisely.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This regulation sets forth defined terms that are used in the regulations in 810 KAR Chapter 5.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation fulfills the Commission's statutory mandate to prescribe the conditions under which horse racing is conducted in the Commonwealth by defining terms used in 810 KAR Chapter 5.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will alter the definitions of "commission," and "licensed premises," as well as "pari-mutuel wagering, mutuel wagering or pari-mutuel system of wagering," so that they cross-reference the definitions for those terms found in 810 KAR 6:001. In addition, this amendment includes a variety of other minor language modifications that are intended to ensure clarity and consistency throughout the Commission's authorizing statutes and accompanying regulations.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary in order to ensure consistency and a lack of conflict between the Commission's regulations and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) and 230.260(8) authorize the Commission to promulgate administrative regulations prescribing the conditions under which racing shall be conducted in Kentucky. This amendment ensures consistency and a lack of conflict between the Commission regulations addressing those conditions, and Senate Bill 120, which was recently enacted by the Kentucky General Assembly and signed into law by Governor Beshear, thereby reducing the possibility of any confusion.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the three currently-licensed standardbred racing associations in the Commonwealth and any applicant for a standardbred racing association license.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No additional action is required at this time.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This regulation, as amended, is not anticipated to generate any new or additional costs.

(c) As a result of compliance, what benefits will accrue to the entities: Participants in racing will benefit from clearly defined rules that enhance the integrity of racing.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This regulation, as amended, is not anticipated to generate any new or additional costs.

(b) On a continuing basis: This regulation, as amended, is not anticipated to generate any new or additional costs.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This regulation, as amended, is not anticipated to generate any new or additional costs.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This regulation, as amended, is not anticipated to generate any new or additional costs.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This regulation, as amended, is not anticipated to generate any new or additional costs.

(9) TIERING: Is tiering applied? Explain why or why not. No. This regulation, as amended, treats all impacted entities the same.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 5:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.215, 230.260, 230.225, 230.261, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? No funds will be required to administer this regulation for the first year.

(d) How much will it cost to administer this program for subsequent years? No funds will be required to administer this regulation for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: None



1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Amendment)

4 810 KAR 6:001. Definitions for 810 KAR Chapter 6.

5 RELATES TO: KRS Chapter 230

6 STATUTORY AUTHORITY: KRS 230.215(2), ~~[230.225(5),]~~ 230.260(8), 230.361(1), 230.370

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky Horse  
8 Racing Commission (the "commission") to regulate conditions under which horse~~[thoroughbred]~~  
9 racing shall be conducted in Kentucky. KRS 230.260(8) authorizes the commission to prescribe  
10 necessary and reasonable administrative regulations and conditions under which horse racing at  
11 a horse race meeting shall be conducted in Kentucky~~[this state]~~. KRS 230.361(1) requires the  
12 commission to promulgate administrative regulations governing and regulating pari-mutuel  
13 ~~[mutuel]~~ wagering on horse races under the pari-mutuel system of wagering. This administrative  
14 regulation defines the terms used in 810 KAR Chapter 6~~[4]~~.

15 Section 1. Definitions.

16 (1) "Added money" means cash, exclusive of trophy or other award, added by the  
17 association to stakes fees paid by subscribers to form the total purse for a stakes race.

18 (2) "Age" means the number of years since a horse was foaled, reckoned as if the horse was  
19 foaled on January 1 of the year in which the horse was foaled.

1 (3) "Appaloosa horse" means a horse duly registered with the Appaloosa Horse Club, Inc.,  
2 Moscow, Idaho.

3 (4) "Appaloosa racing" is defined by KRS 230.210(3).

4 (5) "Arabian horse" means a horse duly registered with the Arabian Horse Club Registry of  
5 America.

6 (6)[(3)] "Arrears" means all sums due by a licensee as reflected by his or her account with  
7 the horsemen's bookkeeper, including subscriptions, jockey fees, forfeitures, and any default  
8 incident to 810 KAR Chapter 6[1].

9 (7)[(4)] "Association" is defined by KRS 230.210(5).

10 (8)[(5)] "Authorized agent" means any person currently licensed as an agent for a licensed  
11 owner or jockey by virtue of notarized appointment of agency filed with the commission.

12 (9)[(6)] "Betting interest" means a single horse, or more than one (1) horse joined as a  
13 mutuel entry or joined in a mutuel field, on which a single pari-mutuel wager may be placed.

14 (10)[(7)] "Bleeder" means any horse known to have bled internally or from its nostrils during  
15 a workout or race.

16 (11) [(8)] "Breakage" means the net pool minus payout.

17 (12) [(9)] "Breeder" means the owner of the dam of a horse when the horse was foaled. A  
18 horse is "bred" at the place of its foaling.

19 (13)[(10)] "Calendar days" means consecutive days counted irrespective of number of  
20 racing days.

21 (14) [(11)] "Carryover" means nondistributed pool monies which are retained and added  
22 to a corresponding pool in accordance with 810 KAR 6:020.

1           (15) [(12)] "Claiming race" means any race in which every horse running in the race may  
2 be transferred in conformity with 810 KAR 4:050.

3           (16) [(13)] "Closing" means the time published by the association after which entries for a  
4 race will not be accepted by the racing secretary.]

5           (17) [(14)] "Commission" means:

6           (a) The Kentucky Horse Racing Commission if used in the context of the administrative  
7 agency governing horse racing and pari-mutuel wagering; or [~~and~~]

8           (b) If used in the context of pari-mutuel wagering, the amount an association is authorized  
9 to withhold from a pari-mutuel wager pursuant to KRS 230.3615, KRS 230.750, and Title 810 of  
10 the Kentucky Administrative Regulations. This term may also be defined as "takeout," pursuant  
11 to 810 KAR 6:020.

12           (18) [(15)] "Day" means any twenty-four (24) hour period beginning at 12:01 a.m. and  
13 ending at midnight.

14           (19) [(16)] "Dead heat" means a finish of a race in which the noses of two (2) or more horses  
15 reach the finish line at the same time.

16           (20) [(17)] "Declaration" means the withdrawal of a horse entered in a race prior to time of  
17 closing of entries for the race in conformance with 810 KAR Chapter 6 [~~4~~].

18           (21) [(18)] "Designated area" means any enclosed area that the commission has approved  
19 for the location of terminals used for wagering on [~~an~~] historical horse [~~race~~] races.

20           (22) [(19)] "Disciplinary action" means action taken by the stewards or the commission for  
21 a violation of KRS Chapter 230 or KAR Title 810 [~~or Title 811~~] and can include:

22           (a) Refusal to issue or renew a license;

- 1 (b) Revocation or suspension of a license;
- 2 (c) Imposition of probationary conditions on a license;
- 3 (d) Issuance of a written reprimand or admonishment;
- 4 (e) Imposition of fines or penalties;
- 5 (f) Denial of purse money;
- 6 (g) Forfeiture of purse money; or
- 7 (h) Any combination of paragraphs (a) through (g) of this subsection.

8 (23)~~(20)~~ "Disqualification" means a ruling of the stewards or the commission revising the  
9 order of finish of a race.

10 (24) "Driver" means a person who is licensed to drive a horse in a harness race.

11 (25)~~(21)~~ "Entry" means the act of nominating a horse for a race in conformance with KAR  
12 Title 810.

13 (26)~~(22)~~ "Equipment" means accoutrements other than ordinary saddle, girth, pad, saddle  
14 cloth, and bridle carried by a horse, and includes whip, blinkers, tongue strap, muzzle, hood,  
15 noseband, bit, shadow roll, martingale, breast plate, bandages, boots, and racing plates or shoes.

16 (27)~~(23)~~ "Exhibition race" means a race between horses of diverse ownership for which a  
17 purse is offered by the association, but on which no pari-mutuel wagering is permitted.

18 (28)~~(24)~~ "Exotic wager" means any pari-mutuel wager placed on a live or historical horse  
19 race or races other than a win, place, or show wager placed on a live horse race.

20 (29)~~(25)~~ "Field" or "mutuel field" means a single betting interest involving more than one  
21 (1) horse that is not a mutuel entry.

1           (30)[(26)] "Forfeit" means money due by a licensee because of an error, fault, neglect of  
2 duty, breach of contract, or alternative ruling of the stewards or the commission.

3           (31)[(27)] "Free handicap" means a handicap for which no nominating fee is required to be  
4 weighted, but an entrance or starting fee may be required for starting in the race.

5           (32)[(28)] "Handicap race" means a race in which the weights to be carried by the horses  
6 are assigned by the association handicapper with the intent of equalizing the chances of winning  
7 for all horses entered in the race.

8           (33)[(29)] "Handle" means the aggregate of all pari-mutuel pools, excluding refundable  
9 wagers.

10          (34)[(30)] "Historical horse race" means any horse race that:

11           (a) Was previously run at a licensed pari-mutuel facility located in the United States;

12           (b) Concluded with official results; and

13           (c) Concluded without scratches, disqualifications, or dead-heat finishes.

14          (35)[(31)] "Horse" means any equine (including and designated as a mare, filly, stallion, colt,  
15 ridgeling, or gelding)~~[a thoroughbred registered with The Jockey Club irrespective of age or sex~~  
16 ~~designation]~~.

17          (36)[(32)] "Ineligible" means a horse or person not qualified under 810 KAR Chapter 6[1] or  
18 conditions of a race to participate in a specified racing activity.

19          (37) [(33)] "Initial seed pool" means a nonrefundable pool of money ~~[funded by]~~ that may  
20 be funded by an association in ~~[an amount sufficient]~~ order to ensure that a patron will be paid  
21 the minimum amount required on a winning wager on an historical horse race in the event of a  
22 minus pool.

1 ~~(37)~~~~(34)~~ "Jockey" means a rider currently licensed to ride in races other than harness races as a  
2 jockey, apprentice jockey, amateur jockey, or a provisional jockey permitted by the stewards to  
3 ride in three (3) races prior to.

4 ~~(38)~~~~(34)~~ "Jockey" means a rider currently licensed to ride in races other than harness races  
5 as a jockey, apprentice jockey, amateur jockey, or a provisional jockey permitted by the stewards  
6 to ride in three (3) races prior to applying for a license.

7 ~~(39)~~ "Judge" means a duly appointed racing official with powers and duties specified in 810  
8 KAR 2:050 serving at a current meeting in the Commonwealth.

9 ~~(40)~~~~(35)~~ "Lessee" means a licensed owner whose interest in a horse is a leasehold.

10 ~~(41)~~~~(36)~~ "Licensed premises" means:

11 (a) For facilities in operation as of 2010,~~The~~ the location and physical plant described in  
12 ~~[response to question P of the Commonwealth of Kentucky]~~ the "Kentucky Horse Racing  
13 Commission Initial/Renewal Application for License to Conduct Live Horse Racing, Simulcasting,  
14 and Pari-Mutuel Wagering" filed for racing to be conducted in 2010;

15 (b) Real property of an association, if the association receives approval from the  
16 commission after 2010 for a new location at which live racing will be conducted; or

17 (c) One (1) facility or real property that is:

18 1. Owned, leased, or purchased by a licensed association within a sixty (60) mile radius of  
19 the association's track but not contiguous to track premises, upon commission approval; and

20 2. Not ~~[For purposes of paragraphs (b) and (c) of this subsection, is not]~~ within a sixty (60)  
21 mile radius of another licensed track premise where live racing is conducted and not within a

1 forty (40) mile radius of a simulcast facility, unless any affected track of simulcast facility agrees  
2 in writing to permit a noncontiguous facility within the protected geographic area.

3 (42)~~(37)~~ "Licensee" means an individual, firm, association, partnership, corporation,  
4 trustee, or legal representative that has been duly issued a currently valid license to participate  
5 in racing in the Commonwealth.

6 (43)~~(38)~~ "Maiden" means a horse which has never won a race on the flat at a recognized  
7 meeting in any country. A maiden which was disqualified after finishing first remains a maiden.  
8 Race conditions referring to maidens shall be interpreted as meaning maidens at the time of  
9 starting.

10 (44)~~(39)~~ "Match race" means a race between two (2) horses for which no other horses are  
11 eligible.

12 (45)~~(40)~~ "Meeting" means the entire period of consecutive days, exclusive of dark days,  
13 granted by the commission to a licensed association for the conduct of live horse racing that:

14 (a) Begins at 10 a.m. of the first racing day; and

15 (b) Extends through a period ending one (1) hour after the last scheduled race of the last  
16 day.

17 (46)~~(41)~~ "Minus pool" means a pari-mutuel pool in which the amount of money to be  
18 distributed on winning wagers exceeds the amount of money contained in ~~[the net pool]~~ that  
19 pari-mutuel pool.

20 (47)~~(42)~~ "Month" means calendar month.

21 (48)~~(43)~~ "Mutuel entry" means a single betting interest involving two (2) or more horses  
22 entered in the same race and joined for pari-mutuel purposes because of common ties as to

1 ownership or training so that a wager on one (1) horse joined in a mutuel entry is a wager on all  
2 horses joined in the same mutuel entry.

3 (49)[(44)] "Net pool" means the total amount wagered less refundable wagers and takeout.

4 (50)[(45)] "Nomination" means a subscription or entry of a horse in a stakes or early closing  
5 race.

6 (51)[(46)] "Nominator" means the person in whose name a horse is entered for a race.

7 (52)[(47)] "Owner" means any person who holds, in whole or in part, any right, title, or  
8 interest in a horse, or any lessee of a horse, who has been duly issued a currently valid owner's  
9 license as a person responsible for the horse.

10 (53)[(48)] "Pari-mutuel wagering," "mutuel wagering", or "pari-mutuel system of wagering"  
11 each means a system or method of wagering previously or hereafter approved by the commission  
12 in which one (1) or more patrons wager on a horse race or races, whether live, simulcast, or  
13 previously run. Wagers shall be placed in one or more wagering pools, and wagers on different  
14 races or sets of races may be pooled together. Patrons may establish odds or payouts, and  
15 winning patrons share in amounts wagered including any carryover amounts, plus any amounts  
16 provided by an association less any deductions required, as approved by the racing commission  
17 and permitted by law. Pools may be paid out incrementally over time as approved by the  
18 commission~~[are wagering among themselves and not against the association and amounts~~  
19 ~~wagered are placed in one or more designated wagering pools and the net pool is returned to~~  
20 ~~the winning patrons].~~



1           (54) "Pari-mutuel pool" means any pool into which pari-mutuel wagers made by patrons  
2 are placed. For every wager placed into a pari-mutuel pool by a patron, that patron is eligible to  
3 receive at least a minimum payout on a winning wager.

4           (55)[(49)] "Patron" means an individual present at a track, licensed premises, or a simulcast  
5 facility who observes or wagers on [a] live or historical horse [~~race~~] races.

6           (56)[(50)] "Payout" means the amount of the net pool payable to an individual patron on  
7 his or her winning wager.

8           (57)[(51)] "Place," if used in the context of a single position in the order of finish in a race,  
9 means second; if used in the context of pari-mutuel wagering, a "place" wager means one  
10 involving a payoff on a betting interest which finished first or second in a race; if used in the  
11 context of multiple positions in the order of finish in a race, "place or placing" means finishing  
12 first or second.

13           (58)[(55)] "Player-funded pool" means a pool of money funded by patrons wagering on a  
14 live or historical horse race or races that is only used to ensure that a patron will receive a payout  
15 on a winning wager in the event of a minus pool as defined in this regulation.

16           (59)[(52)] "Post" means the starting point of a race.

17           (60)[(53)] "Post position" means the relative place assigned to each horse, numbered from  
18 the inner rail across the track at the starting line, from which each horse is to start a race.

19           (61)[(54)] "Post time" means the advertised moment scheduled for the arrival of all horses  
20 at the starting point for a race.

21           (62)[(55)] "Prize" means the combined total of any cash, premium, trophy, and object of  
22 value awarded to the owners of horses according to order of finish in a race.

1            ~~(63)~~~~(56)~~ "Purse" means the gross cash portion of the prize for which a race is run.

2            (64) "Quarter horse" means a horse registered with the American Quarter Horse Association  
3 of Amarillo, Texas.

4            ~~(65)~~~~(57)~~ "Purse race" means any race for which entries close at a time designated by the  
5 racing secretary, and for which owners of horses entered are not required by its conditions to  
6 contribute money toward its purse.

7            ~~(66)~~~~(58)~~ "Race" means a running contest between ~~[thoroughbreds]~~ horses, ridden by  
8 jockeys or driven by drivers, over a prescribed course free of obstacles or jumps, at a recognized  
9 meeting, during regular racing hours, for a prize.

10           ~~(67)~~~~(59)~~ "Race day" means any period of twenty-four (24) hours beginning at 12:01 a.m.  
11 and ending at midnight in which live racing is conducted by an association.

12           ~~(68)~~~~(60)~~ "Racing official" means a racing commission member, commission staff as duties  
13 require, and all association racing department employees, as duties require.

14           ~~(69)~~~~(61)~~ "Recognized meeting" means any meeting with regularly scheduled live horse  
15 races for thoroughbreds on the flat, licensed by and conducted under administrative regulations  
16 promulgated by a governmental regulatory body, to include foreign countries which are  
17 regulated by a racing authority which has reciprocal relations with The Jockey Club and whose  
18 race records can be provided to an association by The Jockey Club.

19           ~~(70)~~~~(62)~~ "Registration certificate" means, with respect to thoroughbreds:

20           (a) The document issued by The Jockey Club certifying the name, age, color, sex, pedigree,  
21 and breeder of a horse as registered by number with The Jockey Club; or

1 (b) The document known as a "racing permit" issued by The Jockey Club in lieu of a  
2 registration certificate if a horse is recognized as a thoroughbred for racing purposes in the  
3 United States, but is not recognized as a thoroughbred for breeding purposes insofar as  
4 registering its progeny with the Jockey Club.

5 ~~(71)~~~~[(63)]~~ "Result" means the part of the official order of finish in a race used to determine  
6 the pari-mutuel payoff of pari-mutuel pools.

7 ~~(72)~~~~[(64)]~~ "Rulings" means all determinations, decisions, or orders of the stewards or of the  
8 commission duly issued in writing and posted.

9 ~~(73)~~~~[(65)]~~ "Scratch" means the withdrawal of a horse entered for a race after the time of  
10 closing of entries for the race in conformance with KAR Title 810.

11 ~~(74)~~ ~~[(66)]~~ "Scratch time" means the time set by the racing secretary as a deadline for  
12 horsemen to indicate their desire to scratch out of a race.

13 ~~(75)~~~~[(67)]~~ "Secretary" means the duly appointed and currently serving secretary of the  
14 commission.

15 ~~[(68)]~~ "Seed pool" means a pool of money funded by patrons wagering on an historical horse  
16 race that is used to ensure that all patrons are paid the minimum payout on winning wagers.]

17 ~~(76)~~ "Simulcasting" is defined by KRS 230.210.

18 ~~(77)~~~~[(69)]~~ "Specimen" means a sample of blood, urine, or other biologic sample taken or  
19 drawn from a horse for chemical testing.

20 ~~(78)~~~~[(70)]~~ "Stakes" means all fees:

21 (a) Paid by subscribers to an added-money or stakes race for nominating, eligibility,  
22 entrance, or starting, as may be required by the conditions of the race; and

1 (b) Included in the purse.

2 ~~(79)~~~~(71)~~ "Stakes race" means a race that closes more than seventy-two (72) hours in  
3 advance of its running and for which subscribers contribute money towards its purse, or a race  
4 for which horses are invited by an association to run for a guaranteed purse of \$50,000 or more  
5 without payment of stakes. With the exception of stakes races in North America, "stakes race"  
6 shall exclude races not listed by The Jockey Club Information System International Cataloguing  
7 Standards, Part One (1).

8 ~~(80)~~~~(72)~~ "Starter" means a horse in a race when the starting-gate doors open in front of it  
9 at the moment the starter dispatches the horses for a race.

10 ~~(81)~~~~(73)~~ "Steward" means a duly appointed racing official with powers and duties  
11 specified in 810 KAR 2:040 serving at a current meeting in the Commonwealth.

12 ~~(82)~~~~(74)~~ "Subscription" means nomination or entry of a horse in a stakes race.

13 ~~(83)~~~~(75)~~ "Takeout" is defined in Section 1(17)(b) of this regulation as "Commission."

14 ~~(84)~~~~(76)~~ "Terminal" means any self-service totalizator machine or other mechanical  
15 equipment used by a patron to place a pari-mutuel wager on a live or historical horse race or  
16 races.

17 ~~(85)~~~~(77)~~ "Thoroughbred racing" is defined by KRS 230.210~~(21)~~.

18 ~~(86)~~~~(78)~~ "Totalizator" means the system, including hardware, software, communications  
19 equipment, and electronic devices that accepts and processes the cashing of wagers, calculates  
20 the odds and prices of the wagers, and records, displays, and stores pari-mutuel wagering  
21 information.

22 ~~(87)~~~~(79)~~ "Unplaced" means a horse that finishes a race outside the pari-mutuel payoff.

1           (88) "Wagering pool" is defined in Section 1 of this regulation as pari-mutuel pool.

2           (89)~~(80)~~ "Walkover" means a race in which the only starter or all starters represent single  
3 ownership.

4           (90)~~(81)~~ "Weigh in" means the presentation of a jockey to the clerk of scales for weighing  
5 after a race.

6           (91)~~(82)~~ "Weigh out" means the presentation of a jockey to the clerk of scales for weighing  
7 prior to a race.

8           (92)~~(83)~~ "Weight for age" means the standard assignment of pounds to be carried by  
9 horses in races at specified distances during specified months of the year, scaled according to the  
10 age of the horse as set out in 810 KAR 4:020.

11           (93)~~(84)~~ "Workout" means the training exercise of a horse on the training track or main  
12 track of an association during which the horse is timed for speed over a specified distance.

13           (94)~~(85)~~ "Year" means twelve (12) consecutive months beginning with January and ending  
14 with December.

15           Section 2. Severability. If any provision or administrative regulation of this chapter is found  
16 to be invalid, the remaining provisions of this chapter shall not be affected nor diminished  
17 thereby.

810 KAR 6:001  
READ AND APPROVED:

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Jonathan Rabinowitz	Date
Chair, Kentucky Horse Racing Commission	

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Kerry Harvey	Date
Secretary, Public Protection Cabinet	

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on May 24, 2021 at 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation establishes the regulatory definitions that apply to all pari-mutuel and exotic wagering on live and historical horse races in the Commonwealth.

(b) The necessity of this administrative regulation: The regulation is necessary to provide specific and updated definitions of the terms used in the commission's regulations.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215 authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361 requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. This regulation provides specific and updated definitions for the terms used in the commission's administrative regulations.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: First, this proposed amendment will allow racing associations to offer pari-mutuel wagering on historical horse races while maintaining compliance with recent Supreme Court case law. Also, this proposed amendment helps to consolidate the pari-mutuel and exotic pari-mutuel wagering definitions into one regulation rather than three, so that KAR Title 810 will be expanded to regulate pari-mutuel and exotic wagering on all types of live or historical horse racing.



(b) The necessity of the amendment to this administrative regulation: Primarily, this amendment is necessary to assist Kentucky racing associations in achieving compliance with the Kentucky Supreme Court's decision in *Family Tr. Found of Kentucky, Inc. v. Kentucky Horse Racing Comm'n*, No. 2018-SC-0630-TG, 2020 WL 5806813 (Ky. Sept. 24, 2020). In addition, this amendment is necessary to reduce the number of regulations applicable to pari-mutuel and exotic pari-mutuel wagering and make the regulations easier to understand.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215 authorizes the commission to regulate the conditions under which horse racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. KRS 230.361 requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races. This regulation provides specific definitions of terms used in the commission's administrative regulations.

(d) How the amendment will assist in the effective administration of the statutes: This proposed amendment provides definitions of terms used in the commission's administrative regulations.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This proposed amendment will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, the owners and trainers who participate in racing in the Commonwealth, the jockeys who ride in the Commonwealth, the harness drivers who drive in the Commonwealth, the patrons who place pari-mutuel wagers on live and historical horse racing in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: Racing associations offering HHR wagering must eliminate the use of the initial seed pool, as per the Supreme Court's September 24, 2020 Opinion. Additionally, the associations may opt to use a player-funded pool, as set forth in the definitions.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity or increase compliance costs at all for the commission.

(c) As a result of compliance, what benefits will accrue to the entities: The racing associations will have a defined process to follow if they plan to offer exotic wagers. They will be able to offer increased pari-mutuel wagering options to patrons and can expect an increase in on-track attendance and total pari-mutuel handle. The increased revenue can be used to maintain and improve racing association facilities and supplement purses for live races run at each racing association. The increased purses will help the racing associations to compete with racing associations in neighboring states that offer expanded gaming options. The owners, trainers, jockeys, and harness drivers will benefit from increased purses, as well as any improvements to a racing association's facilities. The patrons will benefit from any improvements to a racing association's facilities, as well as from increased pari-mutuel wagering options.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the racing associations for additional employee compensation and other expenses.

(b) On a continuing basis: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the racing associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. As a general rule, the commission is reimbursed by the racing associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This proposed amendment is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs at all for the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This proposed amendment does not change any pari-mutuel or exotic pari-mutuel wagering definitions that were not already in place. Instead, the proposed amendment simply helps to establish the consolidation of pari-mutuel wagering definitions into one regulation, rather than three. Therefore, this proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(9) TIERING: Is tiering applied? Explain why or why not. Explain why or why not. Tiering is not applied. All aspects of this regulation will be applied equally to each racing association.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:001  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission and the Department of Revenue.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.  
KRS 230.215, 230.260, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This proposed amendment is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this proposed amendment will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering on historical horse racing, while still complying with recent Supreme Court case law. As it is under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This proposed amendment is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this proposed amendment will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering on historical horse racing, while still complying with recent Supreme Court case law. As it is under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(c) How much will it cost to administer this program for the first year? This regulation will have no effect on the expenditures and revenues of any state or local government agency.

(d) How much will it cost to administer this program for subsequent years? There will be no administrative costs as a result of this regulation.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): None.

(5) Expenditures (+/-): None.

(6) Other Explanation: N/A.

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (New Administrative Regulation)

4 810 KAR 6:010. Exotic wagering.

5 RELATES TO: KRS 230.300, 230.361, 230.3615, 230.370, 230.398, 230.750

6 STATUTORY AUTHORITY: KRS 230.210, 230.215, 230.361, 230.370

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes the Kentucky  
8 Horse Racing Commission (the "commission") to regulate conditions under which horse racing  
9 and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the  
10 commission to promulgate administrative regulations governing and regulating pari-mutuel  
11 wagering on horse races under the pari-mutuel system of wagering. This administrative  
12 regulation establishes the procedures and regulations governing exotic wagering under KRS  
13 Chapter 230 and KAR Title 810.

14 Section 1. All Pari-mutuel Wagers on a Historical Horse Race or Races Are Exotic Wagers.

15 All pari-mutuel wagers other than win, place, or show wagers on a live horse race are  
16 exotic wagers.

17 Section 2. Exotic Wagers to Be Approved by Commission.

18 (1) An association shall not offer an exotic wager on any live or historical horse race or  
19 races without the prior written approval of the commission.

1           (2) An association making a request to offer an exotic wager on a live or historical horse  
2 race may make an oral presentation to the commission regarding the wager prior to the  
3 commission deciding on the request.

4           (a) The presentation shall be made by the association during a meeting of the commission.

5           (b) The presentation shall be limited to the information contained in the written request  
6 and any supplemental information relevant to the commission's determination of the suitability  
7 of the wager.

8           (c) The commission may require an association to clarify or otherwise respond to  
9 questions concerning the written request as a condition of approval for the exotic wager.

10          (3) The commission may request additional information from an association regarding the  
11 exotic wager if the additional information would assist the commission in deciding whether to  
12 approve it.

13          (4) In reviewing a written request for an exotic wager, the commission may consider any  
14 information, data, reports, findings, or other factors available which it considers important or  
15 relevant to its determination of whether the wager should be approved.

16          (5) The commission or its designee shall review and test the exotic wager and shall give  
17 its approval if it is satisfied that:

18           (a) The wager does not adversely affect the safety or integrity of horse racing or pari-  
19 mutuel wagering in the Commonwealth; and

20           (b) The wager complies with KRS Chapter 230 and KAR Title 810.

1           (6) The commission shall notify the association if it determines that the criteria set forth  
2 in subsection (5) of this section are no longer being met and it intends to withdraw approval of a  
3 particular exotic wager.

4           (7) An association shall not implement any change or modification to the practices,  
5 procedures, or representations upon which the approval of the exotic wager was based without  
6 the prior written approval of the commission.

7           Section 3. Exotic Wagers on a Live Horse Race or Races.

8           (1) Except as set forth in subsection (2) of this section, an association shall submit a  
9 written request to the commission for permission to offer any exotic wager on a live horse race  
10 or races, which shall include a detailed description of the rules that apply to the pari-mutuel  
11 wager and the method of calculating payouts.

12           (2) If the rules have not been modified since the wager was approved by the commission,  
13 an association shall not be required to seek the commission's approval to offer the following  
14 previously approved exotic wagers on live horse races: Exacta, Perfecta, Quinella, Trifecta,  
15 Superfecta, Double Perfecta, Big Q, Twin Trifecta, Daily Double, Super High 5, Pick-3, Pick-4, and  
16 Pick-6.

17           Section 4. Exotic Wagers on a Historical Horse Race or Races.

18           (1) An association shall submit a written request to the commission for permission to offer  
19 any exotic wager on a historical horse race or races, which shall include:

20           (a) The types, number, and denominations of pari-mutuel wagers to be offered;



1 (b) A detailed description of the rules that apply to the pari-mutuel wager, the trust  
2 account, if applicable, and the player-funded pool or pools, if applicable, as well as the method  
3 of calculating payouts;

4 (c) The days and hours of operation during which wagering on historical horse races will  
5 be offered;

6 (d) A detailed description of the proposed designated area and the terminal or terminals  
7 on which the pari-mutuel wagers will be made, including an architect's rendering of the proposed  
8 designated area which describes the size, construction, layout, capacity, number of terminals,  
9 and location of surveillance and other security equipment, and at least one (1) photograph of the  
10 designated area when construction is completed;

11 (e) The practices and procedures that will ensure the security, safety, and comfort of  
12 patrons in the designated area;

13 (f) The manufacturer, make, and model of the terminal, including a copy of all literature  
14 supplied by the manufacturer of the terminal;

15 (g) The maintenance and repair procedures that will ensure the integrity of the terminals;

16 (h) A complete list of individuals who are authorized to examine and repair the terminals  
17 for any reason; and

18 (i) A memorandum outlining the terms of the agreement referenced in Section 6(2) of this  
19 administrative regulation between the association and one of the following horsemen's  
20 organizations, as applicable:

1 (i) for thoroughbred associations operating historical horse racing, the Kentucky  
2 Horsemen's Benevolent and Protective Association, the Kentucky Thoroughbred  
3 Association/Kentucky Thoroughbred Owners and Breeders, or their successors;

4 (ii) for standardbred associations operating historical horse racing, the Kentucky Harness  
5 Horsemen's Association, the Kentucky Harness Association, or their successors;

6 (iii) for quarterhorse associations operating historical horse racing, the Kentucky Quarter  
7 Horse Racing Association or its successor;

8 (iv) for Arabian associations operating historical horse racing, the Arabian Jockey Club, or  
9 its successor; and

10 (v) for appaloosa associations operating historical horse racing, a horsemen's organization  
11 representing appaloosa racing.

12 (2)(a) Except as set forth in paragraph (b) of this subsection, each association that is  
13 approved by the commission to offer exotic wagering on historical horse racing shall request, in  
14 any application submitted for a license, to conduct live horse racing pursuant to KRS 230.300 and  
15 810 KAR 3:010:

16 1. No less than 100 percent of the number of racing days initially requested by the  
17 association in its application to conduct racing for the 2010 racing year; and

18 2. No less than 100 percent of the number of races initially requested by the association  
19 in its application to conduct racing for the 2010 racing year.

20 (b) An association may apply for less than 100 percent of the number of racing days  
21 initially applied for by the association in its application to conduct racing for 2010, or the number  
22 of races initially applied for by the association in its application to conduct racing for 2010, if

1 written approval is obtained from the commission, and from one of the following horsemen's  
2 organizations, as applicable:

3 (i) for thoroughbred associations operating historical horse racing, the Kentucky  
4 Horsemen's Benevolent and Protective Association, the Kentucky Thoroughbred  
5 Association/Kentucky Thoroughbred Owners and Breeders, or their successors;

6 (ii) for standardbred associations operating historical horse racing, the Kentucky Harness  
7 Horsemen's Association, the Kentucky Harness Association, or their successors;

8 (iii) for quarterhorse associations operating historical horse racing, the Kentucky Quarter  
9 Horse Racing Association or its successor;

10 (iv) for Arabian associations operating historical horse racing, the Arabian Jockey Club, or  
11 its successor; and

12 (v) for appaloosa associations operating historical horse racing, a horsemen's organization  
13 representing appaloosa racing.

14 Section 5. Terminals Used for Wagering on a Historical Horse Race or Races.

15 (1) Wagering on historical horse races shall be conducted only on terminals approved by  
16 the commission as set forth in Sections 2(5) and 5(2) of this administrative regulation. The  
17 commission shall not require any particular make of terminal.

18 (2)(a) The commission shall require testing of each terminal used for wagering on  
19 historical horse races by an independent testing laboratory to ensure its integrity and proper  
20 working order.

1 (b) The independent testing laboratory shall be chosen by the commission and the  
2 expense of the testing shall be paid by the association offering the wagering on historical horse  
3 races.

4 (3) Each terminal for wagering on historical horse races shall display odds or pool amounts  
5 that the patron will receive for a winning wager on each pari-mutuel wagering pool.

6 Section 6. Takeout.

7 (1) Each association conducting exotic wagering on historical horse races shall deduct a  
8 takeout, which shall not exceed the percentages set forth in KRS 230.3615 or KRS 230.750, as  
9 applicable.

10 (2)(a) Each association shall enter into an agreement with one of the following  
11 horsemen's organizations, as applicable, to establish the allocation of the takeout on all exotic  
12 wagers on historical horse races offered by the association:

13 (i) for thoroughbred associations operating historical horse racing, the Kentucky  
14 Horsemen's Benevolent and Protective Association, the Kentucky Thoroughbred  
15 Association/Kentucky Thoroughbred Owners and Breeders, or their successors;

16 (ii) for standardbred associations operating historical horse racing, the Kentucky Harness  
17 Horsemen's Association, the Kentucky Harness Association, or their successors;

18 (iii) for quarterhorse associations operating historical horse racing, the Kentucky Quarter  
19 Horse Racing Association or its successor;

20 (iv) for Arabian associations operating historical horse racing, the Arabian Jockey Club, or  
21 its successor; and

1 (v) for appaloosa associations operating historical horse racing, a horsemen's organization  
2 representing appaloosa racing. The agreement shall apply to all exotic wagers on historical horse  
3 races offered, or to be offered, by the association during the term of the agreement.

4 (b) The agreement shall include provisions allocating a percentage of the takeout to  
5 purses on live races run by the association.

6 (c) Each association shall provide a memorandum outlining the terms of the agreement  
7 to the commission.

8 Section 7. Severability.

9 In the event that any provision or administrative regulation of this chapter is found to be  
10 invalid, the remaining provisions of this chapter shall not be affected nor diminished thereby.

810 KAR 6:010  
READ AND APPROVED:



Jonathan Rabinowitz  
Chair, Kentucky Horse Racing Commission

Date



Kerry B. Harvey  
Secretary, Public Protection Cabinet

Date

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on May 24, 2021 at Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:010

Contact Person: Jennifer Wolsing

Phone: +1 (859) 246-2040

Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation clarifies the process for licensed racing associations to request permission from the Kentucky Horse Racing Commission to offer exotic forms of pari-mutuel wagers on live and historical horse races. It includes a process for associations to request permission to offer pari-mutuel wagering on live and historical horse races and establishes criteria for the commission to evaluate such requests.

(b) The necessity of this administrative regulation: This regulation is necessary for the commission to regulate the integrity of pari-mutuel wagering in the Commonwealth.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering. This regulation establishes the procedures and regulations governing exotic forms of pari-mutuel wagering under KRS Chapter 230 and the commission's administrative regulations.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.361 requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races. This administrative regulation establishes the criteria for determining whether exotic wagers requested by licensed racing association comply with the provisions of KRS Chapter 230 and the commission's administrative regulations.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This is not an amendment. This is a new regulation.

(b) The necessity of the amendment to this administrative regulation: This is not an amendment. This is a new regulation.



(c) How the amendment conforms to the content of the authorizing statutes: This is not an amendment. This is a new regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is not an amendment. This is a new regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This new regulation will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, the owners and trainers who participate in racing in the Commonwealth, the jockeys who ride in the Commonwealth, the harness drivers who drive in the Commonwealth, the patrons who place exotic wagers on live and historical horse racing in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: The new regulation primarily updates language to comply with *Family Trust Foundation v. Kentucky Horse Racing Commission*, No. 2018-SC-0630 (Sept. 24, 2020) and the passage of SB 120, and migrates Title 811 regulations to Title 810. This emergency amendment will not require regulated entities to take any additional compliance actions that they are not already taking. Additionally, the new regulation will require regulated entities to provide detailed information regarding either the player-funded pool(s) or the trust account (if any) being utilized by each respective association in order to ensure that sufficient funds are at all times available to pay any winning wagers in situations where a pari-mutuel pool becomes a minus pool.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This new regulation is not anticipated to significantly increase compliance costs for any regulated entity or the commission.

(c) As a result of compliance, what benefits will accrue to the entities: The associations will have a defined process to follow if they plan to offer exotic wagers. They will be able to offer increased pari-mutuel wagering options to patrons and can expect an increase in on-track attendance and total pari-mutuel handle. The increased revenue can be used to maintain and improve racing association facilities and supplement purses for live races run at each association. The increased purses will help the associations to compete with racing associations in neighboring states that offer expanded gaming options. The owners, trainers, jockeys, and harness drivers will benefit from increased purses, as well as any improvements to an association's facilities. The patrons will benefit from any improvements to an association's facilities, as well as from increased pari-mutuel wagering options.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This new regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses.

(b) On a continuing basis: This new regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This new regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. As a general rule, the commission is reimbursed by the association for additional employee compensation and other expenses pursuant to KRS 230.240.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This proposed amendment is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This new regulation is not anticipated to significantly increase compliance costs for any regulated entity and will not increase compliance costs for the commission. However, as in previous version of this regulation, the associations that request and receive permission to offer exotic wagering on historical horse races will be required to reimburse the commission for the cost of compensation of additional employees and expenses pursuant to KRS 230.240.

(9) TIERING: Is tiering applied? Explain why or why not. Tiering is not applied. All aspects of this regulation will be applied equally to each association.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:010  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission and the Department of Revenue.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.210, KRS 230.215, 230.361, 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This proposed amendment is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this proposed amendment will preserve tax revenue by allowing associations to continue offering exotic pari-mutuel wagers. Under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This proposed amendment is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this proposed amendment will preserve tax revenue by allowing associations to continue to offer exotic pari-mutuel wagers. Under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(c) How much will it cost to administer this program for the first year? This proposed amendment is not anticipated to increase costs any more than the current regulatory scheme does. Under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

(d) How much will it cost to administer this program for subsequent years? This proposed amendment is not anticipated to increase costs any more than the current regulatory scheme does. Under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): None.

(5) Expenditures (+/-): None.

(6) Other Explanation: N/A

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (Amendment)

4 810 KAR 6:020. Calculation of payouts and distribution of pools.

5 RELATES TO: KRS 230.210, 230.215, 230.260, 230.361, 230.3615, 230.990

6 STATUTORY AUTHORITY: KRS 230.215(2), 230.260, 230.361(1)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) grants the Kentucky Horse  
8 Racing Commission (the "commission") the authority to regulate conditions under which horse  
9 racing and pari-mutuel wagering thereon shall be conducted in Kentucky~~[the Commonwealth]~~.  
10 KRS 230.361(1) requires the commission to promulgate administrative regulations governing  
11 wagering under the pari-mutuel system of wagering. This administrative regulation establishes  
12 the calculation of payouts and the distribution of pools for pari-mutuel wagering on live horse  
13 races.

14 Section 1. Definitions.

15 (1) "Betting interest" means a single horse, or more than one (1) horse joined as a mutuel  
16 entry or joined in a mutuel field, on which a single pari-mutuel wager may be placed.

17 (2) "Breakage" means the net pool minus payout.

18 (3) "Broken consolation price" means the profit per dollar, plus one (1) dollar, rounded  
19 down to the break point.

1 (4) "Carryover" means non-distributed pool monies that are retained and added to a  
2 corresponding pool in accordance with KAR Title 810.

3 (5) "Consolation payout" means a payout to individuals who do not correctly choose all  
4 of the selections in a multiple-pick wager, or a payout to individuals who wager on a horse in a  
5 multi-pick wager that is subsequently scratched.

6 (6) "Covered betting interest" means a betting interest or combination of betting interests  
7 that has been wagered upon.

8 (7) "Dead heat" means a finish of a race in which the noses of two (2) or more horses  
9 reach the finish line at the same time.

10 (8) "Gross pool" means the sum of all wagers less refunds.

11 (9) "Individual" means a natural person, at least eighteen (18) years of age, except does  
12 not include any corporation, partnership, limited liability company, trust, or estate.

13 (10) "Multi-commission pool" means a pari-mutuel pool where entities accepting wagers  
14 use different takeout rates.

15 (11) "Net pool" means the total amount wagered less refundable wagers and takeout.

16 (12) "Payout" means the amount of the net pool payable to an individual patron on his or  
17 her winning wager.

18 (13) "Performance" means a specified number of races on a given race day that  
19 constitutes a full card of racing.

20 (14) "Profit" means the net pool less the gross amount wagered if using the standard price  
21 calculation procedure and the net pool less the net amount wagered if using the net price  
22 calculation procedure.

1 (15) "Profit split" means to calculate a payout by splitting a pari-mutuel pool equally  
2 between each winning combination and dividing each portion by the number of winning tickets.

3 (16) "Scratch" means the withdrawal of a horse entered for a race after the time of closing  
4 of entries for the race in conformance with KAR Title 810.

5 (17) "Single commission pool" means a pari-mutuel pool where all entities accepting  
6 wagers use the same takeout rate.

7 (18) "Single price pool" means a pari-mutuel pool in which the entire profit is paid to  
8 holders of winning tickets after the deduction of the takeout.

9 (19) "Takeout" is defined in 810 KAR 6:001, Section 1(17)(b) as "Commission."~~[means the~~  
10 ~~total amount of money, excluding breakage, withheld from each pari-mutuel pool, as authorized~~  
11 ~~by KRS 230.3615 and KAR Title 810.]~~

12 (20) "Unbroken consolation price" means the profit per dollar plus one (1) dollar.

13 Section 2. General Requirements for Live Horse Races.

14 (1) All pari-mutuel pools for live races shall be separately and independently calculated  
15 and distributed. The takeout shall be deducted from each gross pool as stipulated by KRS  
16 230.3615. The remainder of the pool shall be the net pool for distribution as payoff on winning  
17 pari-mutuel wagers.

18 (2)(a) Single commission pari-mutuel pools may be calculated using either the standard  
19 price calculation procedure or the net price calculation procedure.

20 (b) Multi-commission pari-mutuel pools shall be calculated using the net price calculation  
21 procedure.

22 (3) The standard price calculation procedure shall be as follows:

1 (a) Single price pools - Win pool

Gross Pool	=	Sum of Wagers on all Betting Interests - Refunds
Takeout	=	Gross Pool x Percent Takeout
Net Pool	=	Gross Pool - Takeout
Profit	=	Net Pool - Gross Amount Bet on Winner
Profit Per Dollar	=	Profit / Gross Amount Bet on Winner
\$1 Unbroken Price	=	Profit Per Dollar + \$1
\$1 Broken Price	=	\$1 Unbroken Price Rounded Down to the Break Point
Total Payout	=	\$1 Broken Price x Gross Amount Bet on Winner
Total Breakage	=	Net Pool - Total Payout

2 (b) Profit split - Place pool. Profit shall be net pool less gross amount bet on all place  
 3 finishers. Finishers shall split profit 1/2 and 1/2 (place profit), then divide by gross amount bet on  
 4 each place finisher for two (2) unique prices.

5 (c) Profit split - show pool. Profit shall be net pool less gross amount bet on all show  
 6 finishers. Finishers shall split profit 1/3 and 1/3 and 1/3 (show profit), then divide by gross  
 7 amount bet on each show finisher for three (3) unique prices.

8 (4) The net price calculation procedure shall be as follows:

9 (a) Single price pool - Win pool

Gross Pool	=	Sum of Wagers on all Betting Interests – Refund
Takeout	=	Gross Pool x Percent Takeout for Each Source
Net Pool	=	Gross Pool - Takeout



Net Bet on Winner	=	Gross Amount Bet on Winner x (1 – Percent Takeout)
Total Net Pool	=	Sum of All Sources Net pools
Total Net Bet on Winner	=	Sum of All Sources Net Bet on Winner
Total Profit	=	Total Net Pool - Total Net Bet on Winner
Profit Per Dollar	=	Total Profit / Total Net Bet on Winner
\$1 Unbroken Base Price	=	Profit Per Dollar + \$1 for each source:
\$1 unbroken price	=	\$1 Unbroken Base Price x (1 - Percent Takeout)
\$1 Broken Price	=	\$1 Unbroken Price Rounded Down to the Break Point
Total Payout	=	\$1 Broken Price x Gross Amount Bet on Winner
Total Breakage	=	Net Pool - Total Payout

1 (b) Profit split - Place pool. Total profit shall be the total net pool less the total net amount  
2 bet on all place finishers. Finishers shall split total profit 1/2 and 1/2 (place profit), then divide by  
3 total net amount bet on each place finisher for two (2) unique unbroken base prices.

4 (c) Profit split - Show pool. Total profit shall be the total net pool less the total net amount  
5 bet on all show finishers. Finishers shall split total profit 1/3 and 1/3 and 1/3 (show profit), then  
6 divide by total net amount bet on each show finisher for three (3) unique unbroken base prices.

7 (5) Each association shall disclose the following in its license application:

8 (a) Which price calculation method it will use for single commission pari-mutuel pools;

9 (b) The ticket denominations for each type of pari-mutuel wager;

1 (c) The procedures for refunds of pari-mutuel wagers;  
2 (d) The takeout for each type of pari-mutuel wager;  
3 (e) Which pari-mutuel wagers will include carryover and consolation pools and the  
4 percentages of the net pool assigned to each; and

5 (f) For each type of pari-mutuel wagering involving more than one (1) live horse race, the  
6 procedures to be used if a race is cancelled.

7 (6) The individual pools described in this administrative regulation may be given  
8 alternative names by each association if prior approval is obtained from the commission.

9 (7) A mutuel entry or a mutuel field in any race shall be a single betting interest for the  
10 purpose of each of the wagers described in this administrative regulation and the corresponding  
11 pool calculations and payouts. If either horse in a mutuel entry, or any horse in a mutuel field, is  
12 a starter in a race, the entry or the field selection shall remain as the designated selection for any  
13 of the wagers described in this administrative regulation and the selection shall not be deemed  
14 scratched.

15 Section 3. Pools Dependent Upon Entries for Live Horse Races.

16 (1) Except as provided in subsection (3) of this section, when pools are opened for  
17 wagering all associations may:

- 18 (a) Offer win wagering on all races with four (4) or more betting interests;
- 19 (b) Offer place wagering on all races with five (5) or more betting interests;
- 20 (c) Offer show wagering on all races with six (6) or more betting interests.
- 21 (d) Offer Quinella wagering on all races with four (4) or more betting interests;
- 22 (e) Offer Exacta wagering on all races with four (4) or more betting interests;

- 1 (f) Offer Trifecta wagering on all races with five (5) or more betting interests;
- 2 (g) Offer Superfecta wagering on all races with six (6) or more betting interests;
- 3 (h) Offer Big Q wagering on all races with three (3) or more betting interests; and
- 4 (i) Offer Super High 5 wagering on all races with seven (7) or more betting interests.

5 (2) Except as provided in subsection (4) of this section, when pools are opened for  
6 wagering, associations shall not offer Twin Trifecta wagering on any races with six (6) or fewer  
7 betting interests.

8 (3) The chief state steward or presiding judge, or his or her designee, may authorize an  
9 association to offer a subject wager with less than the number of horses required by this section  
10 if:

- 11 (a) Requested by the association; and
- 12 (b) The integrity of the wager would not be affected by the smaller field.

13 (4) If a horse is scratched by the judges or stewards after wagering has commenced or a  
14 horse is prevented from running in a live horse race because of a failure of the starting gate, and  
15 the number of actual starters representing different betting interests is reduced below the  
16 requirements in subsection (1) or (2) of this section, the association may cancel the affected  
17 wagers and refund the entire affected pools with the approval of the Chief State Steward or  
18 Presiding Judge, or his or her designee.

19 (5) In all cases in which the Chief State Steward or Presiding Judge, or his or her designee,  
20 authorizes the changes described in subsection (4) or (5) of this section, the association shall  
21 provide a written report to the commission within twenty-four (24) hours of the post time of the  
22 race explaining the need to cancel the wagering pool.

1           Section 4. Win Pools.

2           (1) The amount wagered on the betting interest which finishes first shall be deducted  
3 from the net win pool and the balance remaining shall be the profit. The profit shall be divided  
4 by the amount wagered on the betting interest finishing first and the result shall be the profit per  
5 dollar wagered to win on that betting interest.

6           (2) The net win pool shall be distributed as a single price pool in the following precedence  
7 based upon the official order of finish:

8           (a) To individuals whose selection finishes first, except if there are not any of those  
9 wagers, then;

10          (b) To individuals whose selection finishes second, except if there are not any of those  
11 wagers, then;

12          (c) To individuals whose selection finishes third, except if there are not any of those  
13 wagers, then;

14          (d) The entire pool shall be refunded on win wagers for that race.

15          (3)(a) If there is a dead heat for first involving horses representing the same betting  
16 interest, the win pool shall be distributed as if no dead heat occurred.

17          (b) If there is a dead heat for first involving horses representing two (2) or more betting  
18 interests, the win pool shall be distributed as a profit split.

19           Section 5. Place Pools.

20          (1) The amounts wagered to place on the first two (2) betting interests to finish shall be  
21 deducted from the net pool and the balance remaining shall be the profit. The profit shall be  
22 divided into two (2) equal portions, with each portion assigned to each winning betting interest

1 and divided by the dollar amount wagered to place on that betting interest. The result shall be  
2 the profit per dollar wagered to place on that betting interest.

3 (2) The net place pool shall be distributed in the following precedence based upon the  
4 official order of finish:

5 (a) If horses in a mutuel entry or mutuel field finish in the first two (2) places, as a single  
6 price pool to individuals who selected the mutuel entry or mutuel field, otherwise;

7 (b) As a profit split to individuals whose selection is included within the first two (2)  
8 finishers, except if there are not any of those wagers on one (1) of those two (2) finishers, then;

9 (c) As a single price pool to individuals who selected the one (1) covered betting interest  
10 included within the first two (2) finishers, except if there are not any of those wagers, then;

11 (d) As a single price pool to individuals who selected the third-place finisher, except if  
12 there are not any of those wagers, then;

13 (e) The entire pool shall be refunded on place wagers for that race.

14 (3)(a) If there is a dead heat for first involving horses representing the same betting  
15 interest, the place pool shall be distributed as a single price pool.

16 (b) If there is a dead heat for first involving horses representing two (2) or more betting  
17 interests, the place pool shall be distributed as a profit split.

18 (4)(a) If there is a dead heat for second involving horses representing the same betting  
19 interest, the place pool shall be distributed as if no dead heat occurred.

20 (b) If there is a dead heat for second involving horses representing two (2) or more betting  
21 interests, the place pool shall be divided, with one-half (1/2) of the profit distributed to place

1 wagers on the betting interest finishing first and the remainder of the profit distributed equally  
2 among place wagers on the betting interests involved in the dead heat for second.

3 Section 6. Show Pools.

4 (1) The amounts wagered to show on the first three (3) betting interests shall be deducted  
5 from the net pool and the balance remaining shall be the profit. The profit shall be divided into  
6 three (3) equal portions, with each portion assigned to each winning betting interest and divided  
7 by the amount wagered to show on that betting interest. The result shall be the profit per dollar  
8 wagered to show on that betting interest.

9 (2) The net show pool shall be distributed in the following precedence based on the  
10 official order of finish:

11 (a) If horses in a mutuel entry or mutuel field finish in the first three (3) places, as a single  
12 price pool to individuals who selected the mutuel entry or mutuel field, otherwise;

13 (b) If horses of a mutuel entry or mutuel field finish as two (2) of the first three (3)  
14 finishers, the profit shall be divided with two-thirds (2/3) distributed to individuals who selected  
15 the mutuel entry or mutuel field and one-third (1/3) distributed to individuals who selected the  
16 other betting interest included within the first three (3) finishers, otherwise;

17 (c) As a profit split to individuals whose selection shall be included within the first three  
18 (3) finishers, except if there are not any of those wagers on one (1) of those three (3) finishers,  
19 then;

20 (d) As a profit split to individuals who selected one (1) of the two (2) covered betting  
21 interests included within the first three (3) finishers, except if there are not any of those wagers  
22 on two (2) of those three (3) finishers, then;

1 (e) As a single price pool to individuals who selected the one (1) covered betting interest  
2 included within the first three (3) finishers, except if there are not any of those wagers, then;

3 (f) As a single price pool to individuals who selected the fourth-place finisher, except if  
4 there are not any of those wagers, then;

5 (g) The entire pool shall be refunded on show wagers for that race.

6 (3)(a) If there is a dead heat for first involving two (2) horses representing the same  
7 betting interest, the profit shall be divided with two-thirds (2/3) to individuals who selected the  
8 first-place finishers and one-third (1/3) distributed to individuals who selected the betting  
9 interest finishing third.

10 (b) If there is a dead heat for first involving three (3) horses representing a single betting  
11 interest, the show pool shall be distributed as a single price pool.

12 (c) If there is a dead heat for first involving horses representing two (2) or more betting  
13 interests, the show pool shall be distributed as a profit split.

14 (4)(a) If there is a dead heat for second involving horses representing the same betting  
15 interest, the profit shall be divided with one-third (1/3) distributed to individuals who selected  
16 the betting interest finishing first and two-thirds (2/3) distributed to individuals who selected the  
17 second-place finishers.

18 (b) If there is a dead heat for second involving horses representing two (2) betting  
19 interests, the show pool shall be distributed as a profit split.

20 (c) If there is a dead heat for second involving horses representing three (3) betting  
21 interests, the show pool shall be divided with one-third (1/3) of the profit distributed to show

1 wagers on the betting interest finishing first and the remainder shall be distributed equally  
2 among show wagers on those betting interests involved in the dead heat for second.

3 (5)(a) If there is a dead heat for third involving horses representing the same betting  
4 interest, the show pool shall be distributed as if no dead heat occurred.

5 (b) If there is a dead heat for third involving horses representing two (2) or more betting  
6 interests, the show pool shall be divided with two-thirds (2/3) of the profit distributed to show  
7 wagers on the betting interests finishing first and second, and the remainder shall be distributed  
8 equally among show wagers on those betting interests involved in the dead heat for third.

9 Section 7. Exacta Pools.

10 (1) The Exacta shall require the selection of the first two (2) finishers, in their exact order,  
11 for a single race.

12 (2) The net Exacta pool shall be distributed in the following precedence based upon the  
13 official order of finish:

14 (a) If horses of a mutuel entry or mutuel field finish as the first two (2) finishers, as a single  
15 price pool to individuals selecting the mutuel entry or mutuel field combined with the next  
16 separate betting interest in the official order of finish, otherwise;

17 (b) As a single price pool to individuals whose combination finished in the correct  
18 sequence as the first two (2) betting interests, except if there are not any of those wagers, then;

19 (c) As a single price pool to individuals whose combination included the betting interest  
20 that finishes first, except if there are not any of those wagers, then;

21 (d) As a single price pool to individuals whose combination included the betting interest  
22 that finished second, except if there are not any of those wagers, then;



1 (e) The entire pool shall be refunded on Exacta wagers for that race.

2 (3)(a) If there is a dead heat for first involving horses representing the same betting  
3 interest, the Exacta pool shall be distributed as a single price pool to individuals who selected the  
4 mutuel entry or mutuel field combined with the next separate betting interest in the official order  
5 of finish.

6 (b) If there is a dead heat for first involving horses representing two (2) or more betting  
7 interests, the Exacta pool shall be distributed as a profit split.

8 (4) If there is a dead heat for second involving horses representing the same betting  
9 interest, the Exacta shall be distributed as if no dead heat occurred.

10 (5) If there is a dead heat for second involving horses representing two (2) or more betting  
11 interests, the Exacta pool shall be distributed to ticket holders in the following precedence based  
12 upon the official order of finish:

13 (a) As a profit split to individuals combining the first-place betting interest with any of the  
14 betting interests involved in the dead heat for second, except if there is only one (1) covered  
15 combination, then;

16 (b) As a single price pool to individuals combining the first-place betting interest with the  
17 one (1) covered betting interest involved in the dead heat for second, except if there are not any  
18 of those wagers, then;

19 (c) As a profit split to individuals whose wagers correctly selected the winner for first-  
20 place and any of the betting interests which finished in a dead-heat for second-place, except if  
21 there are not any of those wagers, then;

22 (d) The entire pool shall be refunded on Exacta wagers for that race.

1 Section 8. Quinella Pools.

2 (1) The Quinella shall require the selection of the first two (2) finishers, irrespective of  
3 order, for a single race.

4 (2) The net Quinella pool shall be distributed in the following precedence based upon the  
5 official order of finish:

6 (a) If horses of a mutuel entry or mutuel field finish as the first two (2) finishers, as a single  
7 price pool to individuals selecting the mutuel entry or mutuel field combined with the next  
8 separate betting interest in the official order of finish, otherwise;

9 (b) As a single price pool to individuals whose combination finished as the first two (2)  
10 betting interests, except if there are not any of those wagers, then;

11 (c) As a profit split to individuals whose combination included either the first or second  
12 place finisher, except if there are not any of those wagers on one (1) of those two (2) finishers,  
13 then;

14 (d) As a single price pool to individuals whose combination included the one (1) covered  
15 betting interest included within the first two (2) finishers, except if there are not any of those  
16 wagers, then;

17 (e) The entire pool shall be refunded on Quinella wagers for that race.

18 (3)(a) If there is a dead heat for first involving horses representing the same betting  
19 interest, the Quinella pool shall be distributed to individuals selecting the mutuel entry or mutuel  
20 field combined with the next separate betting interest in the official order of finish.

21 (b) If there is a dead heat for first involving horses representing two (2) betting interests,  
22 the Quinella pool shall be distributed as if no dead heat occurred.

1 (c) If there is a dead heat for first involving horses representing three (3) or more betting  
2 interests, the Quinella pool shall be distributed as a profit split.

3 (4) If there is a dead heat for second involving horses representing the same betting  
4 interest, the Quinella pool shall be distributed as if no dead heat occurred.

5 (5) If there is a dead heat for second involving horses representing two (2) or more betting  
6 interests, the Quinella pool shall be distributed to individuals in the following precedence based  
7 upon the official order of finish:

8 (a) As a profit split to individuals combining the winner with any of the betting interests  
9 involved in the dead heat for second, except if there is only one (1) covered combination, then;

10 (b) As a single price pool to individuals combining the winner with the one (1) covered  
11 betting interest involved in the dead heat for second, except if there are not any of those wagers,  
12 then;

13 (c) As a profit split to individuals combining the betting interests involved in the dead heat  
14 for second, except if there are not any of those wagers, then;

15 (d) As a profit split to individuals whose combination included the winner and any other  
16 betting interest and wagers selecting any of the betting interests involved in the dead heat for  
17 second, except if there are not any of those wagers, then;

18 (e) The entire pool shall be refunded on Quinella wagers for that race.

19 Section 9. Trifecta Pools.

20 (1) The Trifecta shall require selection of the first three (3) finishers, in their exact order,  
21 for a single race.

1           (2) For Trifecta price calculations only, the highest placed finisher of any part of a mutuel  
2 entry or mutuel field shall be used, eliminating all other parts of that mutuel entry or mutuel field  
3 from consideration regardless of finishing order.

4           (3) The Trifecta pool shall be distributed in the following precedence based upon the  
5 official order of finish:

6           (a) As a single price pool to individuals whose combination finished in correct sequence  
7 as the first three (3) betting interests, except if there are not any of those wagers, then;

8           (b) As a single price pool to individuals whose combination included, in correct sequence,  
9 the first two (2) betting interests, except if there are not any of those wagers, then;

10          (c) As a single price pool to individuals whose combination correctly selected the first-  
11 place betting interest only, except if there are not any of those wagers, then;

12          (d) The entire pool shall be refunded on Trifecta wagers for that race.

13          (4)(a) If less than three (3) betting interests finish and the race is declared official, payouts  
14 shall be made based upon the order of finish of those betting interests that finish the race.

15          (b) The balance of any selection beyond the number of betting interests completing the  
16 race shall be ignored.

17          (5)(a) If there is a dead heat for first involving horses representing three (3) or more  
18 betting interests, all of the wagering combinations selecting three (3) betting interests that  
19 correspond with any of the betting interests involved in the dead heat shall share in a profit split.

20          (b) If there is a dead heat for first involving horses representing two (2) betting interests,  
21 both of the wagering combinations selecting the two (2) betting interests that finish in a dead  
22 heat, irrespective of order, along with the third place betting interest shall share in a profit split.

1 (6) If there is a dead heat for second, all of the combinations correctly selecting the winner  
2 combined with any of the betting interests involved in the dead heat for second shall share in a  
3 profit split.

4 (7) If there is a dead heat for third, all wagering combinations correctly selecting the first  
5 two (2) finishers, in correct sequence, along with any of the betting interests involved in the dead  
6 heat for third shall share in a profit split.

7 (8)(a) Trifecta wagering shall not be conducted on any race having fewer than five (5)  
8 separate betting interests.

9 (b) If fewer than five (5) horses start due to a late scratch or malfunction of the starting  
10 gate, the Trifecta shall be cancelled and the gross pool shall be refunded.

11 Section 10. Superfecta Pools.

12 (1) The Superfecta shall require selection of the first four (4) finishers, in their exact order,  
13 for a single race.

14 (2) The net Superfecta pool shall be distributed in the following precedence based upon  
15 the official order of finish:

16 (a) As a single price pool to individuals whose combination finished in correct sequence  
17 as the first four (4) betting interests, except if there are not any of those wagers, then;

18 (b) As a single price pool to individuals whose combination included in correct sequence,  
19 the first three (3) betting interests, except if there are not any of those wagers, then;

20 (c) As a single price pool to individuals whose combination included, in correct sequence,  
21 the first two (2) betting interests, except if there are not any of those wagers, then;

1 (d) As a single price pool to individuals whose combination correctly selected the first-  
2 place betting interest only, except if there are not any of those wagers, then;

3 (e) The entire pool shall be refunded on Superfecta wagers for that race.

4 (3)(a) If less than four (4) betting interests finish and the race is declared official, payouts  
5 shall be made based upon the order of finish of those betting interests completing the race.

6 (b) The balance of any selection beyond the number of betting interests completing the  
7 race shall be ignored.

8 (4)(a) If there is a dead heat for first involving horses representing four (4) or more betting  
9 interests, all of the wagering combinations selecting betting interests which correspond with any  
10 of the betting interests involved in the dead heat shall share in a profit split.

11 (b) If there is a dead heat for first involving horses representing three (3) betting interests,  
12 all of the wagering combinations selecting the three (3) betting interests that finish in a dead  
13 heat, irrespective of order, along with the fourth-place betting interest shall share in a profit split.

14 (c) If there is a dead heat for first involving horses representing two (2) betting interests,  
15 both of the wagering combinations selecting the two (2) dead-heated betting interests,  
16 irrespective of order, along with the third-place and fourth-place betting interests shall share in  
17 a profit split.

18 (5)(a) If there is a dead heat for second involving horses representing three (3) or more  
19 betting interests, all of the wagering combinations correctly selecting the winner combined with  
20 any of the three (3) betting interests involved in the dead heat for second shall share in a profit  
21 split.

1 (b) If there is a dead heat for second involving horses representing two (2) betting  
2 interests, all of the wagering combinations correctly selecting the winner, the two (2) dead-  
3 heated betting interests, irrespective of order, and the fourth-place betting interest shall share  
4 in a profit split.

5 (6) If there is a dead heat for third, all wagering combinations correctly selecting the first  
6 two (2) finishers, in correct sequence, along with any two (2) of the betting interests involved in  
7 the dead heat for third shall share in a profit split.

8 (7) If there is a dead heat for fourth, all wagering combinations correctly selecting the first  
9 three (3) finishers, in correct sequence, along with any interest involved in the dead heat for  
10 fourth, shall share in a profit split.

11 (8) Superfecta wagering shall not be conducted on any race having fewer than six (6)  
12 separate betting interests. If fewer than six (6) horses start due to a late scratch or malfunction  
13 of the starting gate, Superfecta wagering shall be cancelled and the gross pool shall be refunded.

#### 14 Section 11. Super High-Five Pools.

15 (1) The Super High-Five shall require selection of the first five (5) finishers, in their exact  
16 order, for a single race.

17 (2) Unless otherwise stated, the net Super High-Five pool shall be distributed as a single-  
18 priced pool to those who have selected all five (5) finishers, in exact order, based upon the official  
19 order of finish.

20 (3)(a) Each association shall disclose in its license application whether it intends to  
21 schedule Super High-Five wagering and, if so, shall disclose:

22 1. The percentage of the pool to be retained for the winning wagers; and

1           2. The designated amount of any cap to be set on the pool to be retained for the winning  
2 wagers.

3           (b) Any subsequent changes to the Super High-Five scheduling shall require prior approval  
4 from the commission or its designee.

5           (4) If there are no winning wagers selecting all five (5) finishers, in exact order, the entire  
6 Super High-Five pool shall be added to the carryover.

7           (5) If due to a late scratch the number of betting interests in the Super High-Five pool is  
8 reduced to fewer than seven (7), the Super High-Five pool shall be cancelled and shall be  
9 refunded, except not the Super High-Five carryover pool.

10          (6) If a betting interest in the Super High-Five pool is scratched from the race, there shall  
11 not be any more wagers accepted selecting that scratched runner and all tickets previously sold  
12 designating that horse shall be refunded and that money shall be deducted from the gross pool.

13          (7) If any dead-heat occurs in any finishing position, all wagers selecting either of the  
14 runners finishing in a dead heat with the correct runners not finishing in a dead heat shall be  
15 winners and share the Super High-Five pool. Payouts shall be calculated by splitting the pool  
16 equally between each winning combination, then dividing each portion by the number of winning  
17 tickets.

18          (8)(a) On the final day of a meeting, an association shall make a final distribution of all  
19 accumulated carryovers along with the net pool of the Super High-Five pool conducted on the  
20 final day of the meeting as a single price pool to:

21           1. Individuals with tickets selecting the first five (5) finishers, in exact order, for the  
22 designated race, or, if there are not any of those wagers, to;



1           2. Individuals with tickets selecting the first four (4) finishers, in exact order, for the  
2 designated race, or, if there are not any of those wagers, to;

3           3. Individuals with tickets selecting the first three (3) finishers, in exact order, for the  
4 designated race, or, if there are not any of those wagers, to;

5           4. Individuals with tickets selecting the first two (2) finishers, in exact order, for the  
6 designated race, or, if there are not any of those wagers, to;

7           5. Individuals with tickets selecting the winner for the designated race, or, if there are not  
8 any of those wagers;

9           6. All money wagered into the Super High-Five pool that day shall be refunded and any  
10 carryover shall be retained and added to the Super High -Five pool on the first racing day of the  
11 next meeting.

12           (9) If, for any reason, the Super High-Five carryover shall be held over to the  
13 corresponding Super High-Five pool of a subsequent meeting, the carryover shall be deposited in  
14 an interest-bearing account approved by the commission. The Super High-Five carryover plus  
15 accrued interest shall then be added to the net Super High-Five pool of the following meeting on  
16 a date and performance approved by the commission.

17           Section 12. Double Pools.

18           (1) The double pool shall require the selection of the first-place finisher in each of two (2)  
19 specified races.

20           (2) The net double pool shall be distributed in the following precedence based upon the  
21 official order of finish:

1 (a) As a single price pool to individuals whose selections finished first in each of the two  
2 (2) races, except if there are not any of those wagers, then;

3 (b) As a profit split to individuals who selected the first-place finisher in either of the two  
4 (2) races, except if there are not any of those wagers, then;

5 (c) As a single price pool to individuals who selected the one (1) covered betting interest  
6 that finished first in either race, except if there are not any of those wagers, then;

7 (d) As a single price pool to individuals whose selection finished second in each of the two  
8 (2) races, except if there are not any of those wagers, then;

9 (e) The entire pool shall be refunded on the double wagers for those races.

10 (3)(a) If there is a dead heat for first in either of the races involving horses representing  
11 the same betting interest, the double pool shall be distributed as if no dead heat occurred.

12 (b) If there is a dead heat for first in either of the races involving horses representing two  
13 (2) or more betting interests, the double pool shall be distributed as a profit split if there is more  
14 than one (1) covered winning combination.

15 (4) If a betting interest in the first half of the double is scratched prior to the close of  
16 wagering on the first double contest, all money wagered on combinations including the scratched  
17 betting interest shall be deducted from the double pool and refunded.

18 (5) If a betting interest in the second half of the double is scratched prior to the close of  
19 wagering on the first double race, all money wagered on the combinations including the  
20 scratched betting interest shall be deducted from the double pool and refunded.

1 (6) If a betting interest in the second half of the double is scratched after the close of  
2 wagering on the first double race, all wagers combining the winner of the first race with the  
3 scratched betting interest in the second race shall be allocated a consolation payout.

4 (a) In calculating the consolation payout, the net double pool shall be divided by the total  
5 amount wagered on the winner of the first race and an unbroken consolation price obtained.

6 (b) The broken consolation price shall be multiplied by the dollar value of wagers on the  
7 winner of the first race combined with the scratched betting interest to obtain the consolation  
8 payout.

9 (c) Breakage shall not be included in this calculation.

10 (d) The consolation payout shall be deducted from the net double pool before calculation  
11 and distribution of the winning double payout.

12 (e) Dead heats including separate betting interests in the first race shall result in a  
13 consolation payout calculated as a profit split.

14 (7) If either of the double races is cancelled prior to the first double race, or the first  
15 double race is declared "no contest," the entire double pool shall be refunded on double wagers  
16 for those races.

17 (8)(a) If the second double race is cancelled or declared a "no contest" after the conclusion  
18 of the first double race, the net double pool shall be distributed as a single price pool to  
19 individuals who selected the winner of the first double race.

20 (b) If there is a dead heat involving separate betting interests, the net double pool shall  
21 be distributed as a profit split.

1 Section 13. Big Q Pools.

2 (1) The Big Q shall require selection of the first two (2) finishers, irrespective of order, in  
3 each of two (2) designated races.

4 (a) Each winning ticket for the first Big Q race shall be exchanged for a free ticket on the  
5 second Big Q race in order to remain eligible for the second half Big Q pool.

6 (b) Exchange tickets shall be exchanged at attended ticket windows prior to the second  
7 race comprising the Big Q.

8 (c) There shall not be a monetary reward for winning the first Big Q race.

9 (d) Each of the designated Big Q races shall be included in only one (1) Big Q pool.

10 (2) In the first Big Q race only, winning wagers shall be determined using the following  
11 precedence based on the official order of finish for the first Big Q race:

12 (a) If a mutuel entry or mutuel field finishes as the first two (2) finishers, those who  
13 selected the mutuel entry or mutuel field combined with the next separate betting interest in the  
14 official order of finish shall be winners, otherwise:

15 (b) Individuals whose combination finished as the first two (2) betting interests shall be  
16 winners, except if there are not any of those wagers, then;

17 (c) Individuals whose combination included either the first- or second-place finisher shall  
18 be winners, except if there are not any of those wagers on one (1) of the two (2) finishers, then;

19 (d) Individuals whose combination included the one (1) covered betting interest included  
20 within the first two (2) finishers shall be winners, except if there are not any of those wagers,  
21 then;

22 (e) The entire pool shall be refunded on Big Q wagers for that race.

1           (3)(a) In the first Big Q race only, if there is a dead heat for first involving horses  
2 representing the same betting interest, individuals who selected the mutuel entry or mutuel field  
3 combined with the next separate betting interest in the official order of finish shall be winners.

4           (b) In the first Big Q race only, if there is a dead heat for first involving horses representing  
5 two (2) betting interests, the winning Big Q wagers shall be determined as if no dead heat  
6 occurred.

7           (c) In the first Big Q race only, if there is a dead heat for first involving horses representing  
8 three (3) or more betting interests, individuals whose combination included any two (2) of the  
9 betting interests finishing in the dead heat shall be winners.

10          (4) In the first Big Q race only, if there is a dead heat for second, the winners shall be those  
11 who combined the first place finisher with any of the runners involved in the dead heat for  
12 second.

13          (5) In the second Big Q race only, the entire net Big Q pool shall be distributed to  
14 individuals in the following precedence based upon the official order of finish for the second\_Big  
15 Q race:

16           (a) If a mutuel entry or mutuel field finishes as the first two (2) finishers, as a single price  
17 pool to individuals who selected the mutuel entry or mutuel field combined with the next  
18 separate betting interest in the official order of finish, otherwise;

19           (b) As a single price pool to individuals whose combination finished as the first two (2)  
20 betting interests, except if there are not any of those wagers, then;

1 (c) As a profit split to individuals whose combination included either the first- or second-  
2 place finisher, except if there are not any of those wagers on one (1) of those two (2) finishers,  
3 then;

4 (d) As a single price pool to individuals whose combination included one (1) of the covered  
5 betting interests included within the first two (2) finishers, except if there are not any of those  
6 wagers, then;

7 (e) As a single price pool to all exchange ticket holders for that race, except if there are  
8 not any of those wagers, then;

9 (f) In accordance with subsection (2) of this section.

10 (6)(a) In the second Big Q race only, if there is a dead heat for first involving horses  
11 representing the same betting interest, the net Big Q pool shall be distributed to individuals  
12 selecting the mutuel entry or mutuel field combined with the next separate betting interest in  
13 the official order of finish.

14 (b) In the second Big Q race only, if there is a dead heat for first involving horses  
15 representing two (2) betting interests, the net Big Q pool shall be distributed as if no dead heat  
16 occurred.

17 (c) In the second Big Q race only, if there is a dead heat for first involving horses  
18 representing three (3) or more betting interests, the net Big Q pool shall be distributed as a profit  
19 split to individuals whose combination included any two (2) of the betting interests finishing in  
20 the dead heat.

1           (7) In the second Big Q race only, if there is a dead heat for second involving horses  
2 representing two (2) or more betting interests, the Big Q pool shall be distributed to individuals  
3 in the following precedence based upon the official order of finish:

4           (a) As a profit split to individuals combining the winner with any of the betting interests  
5 involved in the dead heat for second, except if there is only one (1) covered combination, then;

6           (b) As a single price pool to individuals combining the winner with the one (1) covered  
7 betting interest involved in the dead heat for second, except if there are not any of those wagers,  
8 then;

9           (c) As a profit split to individuals combining the betting interests involved in the dead heat  
10 for second, except if there are not any of those wagers, then;

11           (d) As a profit split to individuals whose combination included the winner and any other  
12 betting interest and wagers selecting any of the betting interests involved in the dead heat for  
13 second, then;

14           (e) As a single price pool to all exchange ticket holders for that race, except if there are  
15 not any of those tickets, then;

16           (f) In accordance with subsection (2) of this section.

17           (8) If a winning ticket for the first half of the Big Q is not presented for exchange prior to  
18 the close of betting on the second half Big Q race, the ticket holder shall forfeit all rights to any  
19 distribution of the Big Q pool resulting from the outcome of the second race.

20           (9) If a betting interest in the first half of the Big Q is scratched, the Big Q wagers including  
21 the scratched betting interest shall be refunded.

1 (10)(a) If a betting interest in the second half of the Big Q is scratched, an immediate  
2 public announcement and immediate posting on the association's video monitors and website  
3 concerning the scratch shall be made and a reasonable amount of time shall be provided for  
4 exchange of tickets that include the scratched betting interest.

5 (b) If tickets have not been exchanged prior to the close of betting for the second Big Q  
6 race, the ticket holder shall forfeit all rights to the Big Q pool.

7 (11) If either of the Big Q races is cancelled prior to the first Big Q race, or the first Big Q  
8 race is declared "no contest," the entire Big Q pool shall be refunded on Big Q wagers for that  
9 race.

10 (12) If the second Big Q race is cancelled or declared "no contest" after the conclusion of  
11 the first Big Q race, the net Big Q pool shall be distributed as a single price pool to wagers selecting  
12 the winning combination in the first Big Q race and all valid exchange tickets. If there are not any  
13 of those wagers, the net Big Q pool shall be distributed as described in subsection (2) of this  
14 section.

15 Section 14. Pick-(n) Pools.

16 (1) The Pick-(n) shall require the selection of the first place finisher in each of (n)-specified  
17 races designated by the association and approved by the commission where (n) is any number of  
18 races greater than 2. Any changes to the Pick-(n) format shall be approved by the commission  
19 before implementation.

20 (2) The Pick-(n) pari-mutuel pool consists of amounts contributed for a win only selection  
21 in each of (n) races designated by the association. Each individual placing a Pick-(n) wager shall  
22 designate the winning horse in each of (n) races comprising the Pick-(n).



1           (3) The net Pick-(n) pool shall be apportioned in one the following methods based upon  
2 the official order of finish:

3           (a) Method 1, Pick-(n) with Carryover: The net Pick-(n) pool and carryover, if any, shall be  
4 distributed as a single price pool to those who selected the first-place finisher in each of the Pick-  
5 (n) contests, based upon the official order of finish. If there are not any of those wagers, then a  
6 designated percentage of the net pool shall be distributed as a single price pool to those who  
7 selected the first-place finisher in the greatest number of Pick-(n) contests; and the remainder  
8 shall be added to the carryover. Where there is no correct selection of the first-place finisher in  
9 at least one of the Pick-(n) contests, based upon the official order of finish, the day's net pool  
10 shall be refunded and the previous carryover pool amount, if any, shall be carried over to the  
11 next scheduled corresponding pool.

12           (b) Method 2, Pick-(n) with 100 percent Carryover: The net Pick-(n) pool and carryover, if  
13 any, shall be distributed as a single price pool to those who selected the first-place finisher in  
14 each of the Pick-(n) contests, based upon the official order of finish. If there are not any of those  
15 wagers, then 100 percent of that day's net pool shall be added to the carryover. Where there is  
16 no correct selection of the first-place finisher in at least one of the Pick-(n) contests, based upon  
17 the official order of finish, the day's net pool shall be refunded and the previous carryover pool  
18 amount, if any, shall be carried over to the next scheduled corresponding pool.

19           (c) Method 3, Pick-(n) with Minor Pool and Carryover: The major share of the net Pick-(n)  
20 pool and the carryover, if any, shall be distributed to those who selected the first-place finisher  
21 in each of the Pick-(n) contests, based upon the official order of finish. The minor share of the  
22 net Pick-(n) pool shall be distributed to those who selected the first place finisher in the second

1 greatest number of Pick-(n) contests, based upon the official order of finish. If there are no  
2 wagers selecting the first-place finisher of all Pick-(n) contests, the minor share of the net Pick-  
3 (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in  
4 the greatest number of Pick-(n) contests; and the major share shall be added to the carryover.  
5 Where there is no correct selection of the first-place finisher in at least one (1) of the Pick-(n)  
6 contests, based upon the official order of finish, the day's net pool shall be refunded and the  
7 previous carryover pool amount, if any, shall be carried over to the next scheduled corresponding  
8 pool.

9 (d) Method 4, Pick-(n) with No Minor Pool and No Carryover: The net Pick-(n) pool shall  
10 be distributed as a single price pool to those who selected the first-place finisher in the greatest  
11 number of Pick-(n) contests, based upon the official order of finish. If there are no winning  
12 wagers, the pool shall be refunded.

13 (e) Method 5, Pick-(n) with Minor Pool and No Carryover: The major share of the net Pick-  
14 (n) pool shall be distributed to those who selected the first place finisher in the greatest number  
15 of Pick-(n) contests, based upon the official order of finish. The minor share of the net Pick-(n)  
16 pool shall be distributed to those who selected the first-place finisher in the second greatest  
17 number of Pick-(n) contests, based upon the official order of finish. If there are no wagers  
18 selecting the first-place finisher in a second greatest number of Pick-(n) contests, the minor share  
19 of the net Pick-(n) pool shall be combined with the major share for distribution as a single price  
20 pool to those who selected the first-place finisher in the greatest number of Pick-(n) contests. If  
21 the greatest number of first-place finishers selected is one (1), the major and minor shares shall

1 be combined for distribution as a single price pool. If there are no winning wagers, the pool shall  
2 be refunded.

3 (f) Method 6, Pick-(n) with Minor Pool and No Carryover: The major share of net Pick-(n)  
4 pool shall be distributed to those who selected the first-place finisher in each of the Pick-(n)  
5 contests, based upon the official order of finish. The minor share of the net Pick-(n) pool shall be  
6 distributed to those who selected the first-place finisher in the second greatest number of Pick-  
7 (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place  
8 finisher in all Pick-(n) contests, the entire net Pick-(n) pool shall be distributed as a single price  
9 pool to those who selected the first-place finisher in the greatest number of Pick-(n) contests. If  
10 there are no wagers selecting the first-place finisher in a second greatest number of Pick-(n)  
11 contests, the minor share of the net Pick-(n) pool shall be combined with the major share for  
12 distribution as a single price pool to those who selected the first-place finisher in each of the Pick-  
13 (n) contests. If there are no winning wagers, the pool shall be refunded.

14 (g) Method 7, Pick-(n) with Carryover and "Unique Winning Ticket" Provision: The net  
15 Pick-(n) pool and carryover, if any, shall be distributed to the holder of a unique winning ticket  
16 that selected the first-place finisher in each of the Pick-(n) contests, based upon the official order  
17 of finish. If there are multiple tickets selecting the first-place finisher in each of the Pick-(n)  
18 contest(s), a share that has been declared by the association and approved by the commission,  
19 of the net Pick-(n) shall be distributed as a single price pool to those who selected the first-place  
20 finisher in each of the Pick-(n) contests and the remaining share shall be added to the carryover.  
21 If there are no tickets selecting the first-place finisher in each of the Pick-(n) contests, then; the  
22 entire net Pick-(n) pool shall be added to the carryover. Associations may suspend previously

1 approved unique winning ticket wagering with the prior approval of the commission. Any  
2 carryover shall be held until the suspended unique winning ticket wagering is reinstated. Where  
3 there is no correct selection of the first-place finisher in at least one (1) of the Pick-(n) contests,  
4 based upon the official order of finish, the day's net pool shall be refunded and the previous  
5 carryover pool amount, if any, shall be carried over to the next scheduled corresponding pool. In  
6 obtaining authorization for operating the Pick-(n) pool under this subsection, associations shall  
7 clearly identify which definition under subsection (16)(b) of this section will be relied upon for  
8 determining the existence of a unique winning ticket.

9 (4) If there is a dead heat for first place in any of the Pick-(n) races involving contestants  
10 representing the same betting interest, the Pick-(n) pool shall be distributed as if no dead heat  
11 occurred.

12 (5) If there is a dead heat for first place in any of the Pick-(n) races involving contestants  
13 representing two (2) or more betting interests, the Pick-(n) pool shall be distributed as a single  
14 price pool with each winning wager receiving an equal share of the profit.

15 (6) If a betting interest is scratched or is designated to run for purse money only from any  
16 leg of the Pick-(n), the association shall use the actual favorite, as evidenced by total amounts  
17 wagered in the Win pool at the host association, for the contest at the close of wagering on that  
18 contest, and shall be substituted for the betting interest that was scratched or designated to run  
19 for purse money only for all purposes, including pool calculations. If the Win pool total for two  
20 (2) or more favorites is identical, the substitute selection shall be the betting interest with the  
21 lowest program number. The totalizator shall produce reports showing each of the wagering

1 combinations with substituted betting interests which became winners as a result of the  
2 substitution, in addition to the normal winning combination.

3 (7) If for any reason more than half of the races comprising the Pick-(n) are cancelled or  
4 declared a "no contest", and there was no previous carryover amount, wagering on the Pick-(n)  
5 shall be cancelled and all wagers shall be refunded.

6 (8) If for any reason more than half of the races comprising the Pick-(n) are cancelled or  
7 declared a "no contest", and a previous carryover amount existed, the carryover amount shall be  
8 frozen and added to the next scheduled Pick-(n) event. Wagering on the Pick-(n) for the cancelled  
9 Pick-(n) wager races shall be cancelled and all wagers shall be refunded.

10 (9) If the condition of the turf course warrants a change of racing surface in any races of  
11 the Pick-(n), and the change has not been disclosed to the public prior to "off time" of the first  
12 race of the Pick-(n), the stewards shall declare the changed races an "all win" race for Pick-(n)  
13 wagering purposes only. An "all win" race shall assign the winner of that race to each Pick-(n)  
14 ticket holder as their selection for that race.

15 (10) The Pick-(n) carryover may be capped at a designated level approved by the  
16 commission so that if, at the close of any performance, the amount in the Pick-(n) carryover  
17 equals or exceeds the designated cap, the Pick-(n) carryover will be frozen until it is won or  
18 distributed under other provisions of this rule. After the Pick-(n) carryover is frozen, 100 percent  
19 of the net pool, part of which ordinarily would be added to the Pick-(n) carryover, shall be  
20 distributed to those whose selection finished first in the greatest number of Pick-(n) contests for  
21 that performance.

1           (11) A written request for permission to distribute the Pick-(n) carryover on a specific  
2 performance may be submitted to the commission. The request shall be for a specified date no  
3 greater than one (1) year from the date the request is submitted and contain justification for the  
4 distribution, an explanation of the benefit to be derived, and the intended date and performance  
5 for the distribution.

6           (12) If the Pick-(n) carryover is designated for distribution on a specified date and  
7 performance in which there are no wagers selecting the first-place finisher in each of the Pick-(n)  
8 contests, the entire pool shall be distributed as a single price pool to those whose selection  
9 finished first in the greatest number of Pick-(n) contests. The Pick-(n) carryover shall be  
10 designated for distribution on a specified date and performance only under the following  
11 circumstances:

12           (a) Upon written approval from the commission as provided in subsection (11) of this  
13 section.

14           (b) Upon written approval from the commission when there is a change in the carryover  
15 cap, a change from one (1) type of Pick-(n) wagering to another, or when the Pick-(n) is  
16 discontinued; or

17           (c) On the closing performance of the meet or split meet.

18           (13) Notwithstanding subsections (10) and (12) of this section, if for any reason the Pick-  
19 (n) carryover must be held over to the corresponding Pick-(n) pool of a subsequent meet, the  
20 carryover shall be deposited in an interest-bearing account approved by the commission. The  
21 Pick-(n) carryover plus accrued interest shall then be added to the net Pick-(n) pool of the

1 following meet on a date and performance designated by the association and approved by the  
2 commission.

3 (14) With the written approval of the commission, the association may contribute to the  
4 Pick-(n) carryover a sum of money up to the amount of any designated cap.

5 (15) The association may suspend previously-approved Pick-(n) wagering with the prior  
6 approval of the commission. Any carryover shall be held until the suspended Pick-(n) wagering is  
7 reinstated. An association may request approval of a Pick-(n) wager or separate wagering pool  
8 for specific performances.

9 (16) As it relates to any distribution method under subsection (3)(g) of this section which  
10 contains a unique winning ticket provision:

11 (a) A written request for permission to distribute the Pick-(n) unique winning ticket  
12 carryover on a specific performance may be submitted to the commission. The request shall  
13 contain justification for the distribution, an explanation of the benefit to be derived, and the  
14 intended date and performance for the distribution. If the Pick-(n) unique winning ticket net pool  
15 and any applicable carryover is designated for distribution on a specified date and performance  
16 in which there is no unique winning ticket, the entire pool shall be distributed as a single price  
17 pool to those who selected the first-place finisher in the greatest number of Pick-(n) contests.

18 (b) Associations shall clearly identify which selection under subparagraphs 1 and 2 of this  
19 paragraph will be relied upon for determining the existence of a unique winning ticket:

20 1. There is one (1) and only one (1) winning ticket that correctly selected the first place  
21 finisher in each of the Pick-(n) contests, based upon the official order of finish, to be verified by  
22 the unique serial number assigned by the tote company that issued the winning ticket; or

1           2. The total amount wagered on one (1) and only one (1) winning combination selecting  
2 the first-place finisher in each of the Pick-(n) contests, based up on the official order of finish, is  
3 equal to the minimum allowable wager.

4           (17)(a) Each association shall disclose in its license application whether it intends to  
5 schedule Pick-(n) races and, if so, shall disclose:

- 6           1. The percentage of the pool to be retained for the winning wagers, and
- 7           2. The designated amount of any cap to be set on the pool to be retained for the winning  
8 wagers.
- 9           3. Any changes to the Pick-(n) scheduling shall require prior approval from the  
10 commission or its designee.

11           (18) An association may request permission from the commission to distribute the Pick-  
12 (n) carryover on a specific performance. The request shall contain justification for the  
13 distribution, an explanation of the benefit to be derived, and the intended date and performance  
14 for the distribution.

15           (19) Upon written approval of the commission, a sum of money up to the amount of any  
16 designated cap may be contributed to the Pick-(n) carryover by an association. The association  
17 may supply information to the general public regarding the winning dollars in the Pick-(n) pool.  
18 The information shall not be selectively distributed. This shall not prohibit necessary  
19 communication between totalizator and pari-mutuel department employees for processing of  
20 pool data.



1 Section 15. Twin Trifecta Pools.

2 (1) The Twin Trifecta shall require the selection of the first three (3) finishers, in their exact  
3 order, in each of two (2) designated races.

4 (a) Each winning ticket for the first Twin Trifecta race shall be exchanged for a free ticket  
5 on the second Twin Trifecta race in order to remain eligible for the second half Twin Trifecta pool.

6 (b) The winning tickets may only be exchanged at attended ticket windows prior to the  
7 second Twin Trifecta race.

8 (c) Winning first half Twin Trifecta wagers shall receive both an exchange and a monetary  
9 payout.

10 (d) Both of the designated Twin Trifecta races shall be included in only one (1) Twin  
11 Trifecta pool.

12 (2) After wagering closes for the first half of the Twin Trifecta, and the takeout has been  
13 deducted from the pool, the net pool shall then be divided into two (2) separate pools: the first  
14 half Twin Trifecta pool and the second half Twin Trifecta pool.

15 (3) In the first Twin Trifecta race only, winning wagers shall be determined using the  
16 following precedence based upon the official order of finish for the first Twin Trifecta race:

17 (a) As a single price pool to individuals whose combination finished in the correct  
18 sequence as the first three (3) betting interests, except if there are not any of those wagers, then;

19 (b) As a single price pool to individuals whose combination included, in correct sequence,  
20 the first two (2) betting interests, except if there are not any of those wagers, then;

21 (c) As a single price pool to individuals whose combination correctly selected the first-  
22 place betting interest only, except if there are not any of those wagers, then;

1 (d) The entire Twin Trifecta pool shall be refunded on Twin Trifecta wagers for that race  
2 and Twin Trifecta wagering on the second half shall be cancelled.

3 (4) Except as established in subsection (16) of this section, if no first half Twin Trifecta  
4 ticket selects the first three (3) finishers of that race in exact order:

5 (a) Exchange tickets for the second half Twin Trifecta pool shall not be distributed; and

6 (b) The second half Twin Trifecta pool shall be retained and added to any existing Twin  
7 Trifecta carryover pool.

8 (5)(a) Tickets from the first half of the Twin Trifecta that correctly select the first three (3)  
9 finishers shall be exchanged for tickets selecting the first three (3) finishers of the second half of  
10 the Twin Trifecta.

11 (b) The second half Twin Trifecta pool shall be distributed to individuals in the following  
12 precedence based upon the official order of finish for the second Twin Trifecta race:

13 1. As a single price pool, including any existing carryover monies, to individuals whose  
14 combination finished in correct sequence as the first three (3) betting interests except if there  
15 are not any of those wagers, then;

16 2. The entire second half Twin Trifecta pool for that race shall be added to any existing  
17 carryover monies and retained for the corresponding second half Twin Trifecta pool of the next  
18 consecutive performance.

19 (c) If a winning first half Twin Trifecta ticket is not presented for cashing and exchange  
20 prior to the second half Twin Trifecta race, the ticket holder may still collect the monetary value  
21 associated with the first half Twin Trifecta pool except the ticket holder shall forfeit all rights to  
22 any distribution of the second half Twin Trifecta pool.

1 (6) Mutuel entries and mutuel fields shall be prohibited in Twin Trifecta races.

2 (7) If a betting entry in the first half of the Twin Trifecta is scratched, Twin Trifecta wagers  
3 including the scratched betting interest shall be refunded.

4 (8)(a) If a betting interest in the second half of the Twin Trifecta is scratched, an  
5 immediate public announcement and immediate posting on the association's video monitors and  
6 website concerning the scratch shall be made and a reasonable amount of time shall be provided  
7 for exchange of tickets that include the scratched betting interest.

8 (b) If tickets have not been exchanged prior to the close of betting for the second Twin  
9 Trifecta race, the ticket holder shall forfeit all rights to the second half Twin Trifecta pool.

10 (9) If, due to a late scratch, the number of betting interests in the second half of the Twin  
11 Trifecta is reduced to fewer than the minimum, all exchange tickets and outstanding first half  
12 winning tickets shall be entitled to the second half pool for that race, except they shall not be  
13 entitled to the Twin Trifecta carryover.

14 (10)(a) If there is a dead heat or multiple dead heats in either the first or second half of  
15 the Twin Trifecta, all Twin Trifecta wagers selecting the correct order of finish, counting a betting  
16 interest involved in a dead heat as finishing in any dead-heated position, shall be winning wagers.

17 (b) If the dead heat occurs in the first half of the Twin Trifecta, the payout shall be  
18 calculated as a profit split.

19 (c) If the dead heat occurs in the second half of the Twin Trifecta, the payout shall be  
20 calculated as a single price pool.

1 (11) If the first Twin Trifecta race is canceled or declared "no contest", the entire Twin  
2 Trifecta pool shall be refunded on Twin Trifecta wagers for that race and the second half shall be  
3 cancelled.

4 (12)(a) If the second half Twin Trifecta race is cancelled or declared "no contest", all  
5 exchange tickets and outstanding first half winning Twin Trifecta tickets shall be entitled to the  
6 net Twin Trifecta pool for that race as a single price pool, except they shall not be entitled to the  
7 Twin Trifecta carryover.

8 (b) If there are no outstanding first half winning Twin Trifecta tickets, the net Twin Trifecta  
9 pool shall be distributed as described in subsection (3) of this section.

10 (13)(a) The Twin Trifecta carryover may be capped at a designated level approved by the  
11 commission so that if, at the close of any performance, the amount in the Twin Trifecta carryover  
12 equals or exceeds the designated cap, the Twin Trifecta carryover shall be frozen until it is won  
13 or distributed under the provisions of this administrative regulation.

14 (b) After the Twin Trifecta carryover is frozen, 100 percent of the net Twin Trifecta pool  
15 for each individual race shall be distributed to winners of the first half of the twin Trifecta pool.

16 (14) A written request for permission to distribute the Twin Trifecta carryover on a specific  
17 performance may be submitted to the commission. The request shall contain:

18 (a) Justification for the distribution;

19 (b) An explanation of the benefit to be derived; and

20 (c) The intended date and performance for the distribution.

1 (15) If the Twin Trifecta carryover is designated for distribution on a specified date and  
2 performance, the following precedence shall be followed in determining winning tickets for the  
3 second half of the Twin Trifecta after completion of the first half of the Twin Trifecta:

4 (a) As a single price pool to individuals whose combination finished in correct sequence  
5 as the first three (3) betting interests, except if there are not any of those wagers, then;

6 (b) As a single price pool to individuals whose combination included, in correct sequence,  
7 the first two (2) betting interests, except if there are not any of those wagers, then;

8 (c) As a single price pool to individuals whose combination correctly selected the first-  
9 place betting interest only, except if there are not any of those wagers, then;

10 (d) As a single price pool to holders of valid exchange tickets, except if there are not any  
11 of those wagers, then;

12 (e) As a single price pool to holders of outstanding first half winning tickets.

13 (16) For a performance designated to distribute the Twin Trifecta carryover, exchange  
14 tickets shall be issued for those combinations selecting the greatest number of betting interests  
15 in their correct order of finish for the first half of the twin Trifecta.

16 (a) If there are no wagers correctly selecting the first-, second-, and third-place finishers,  
17 in their exact order, then exchange tickets shall be issued for combinations correctly selecting  
18 the first-and second-place finishers.

19 (b) If there are no wagers correctly selecting the first- and second-place finishers, in their  
20 exact order, exchange tickets shall be issued for combinations correctly selecting only the first-  
21 place finisher.

1 (c) If there are no wagers selecting the first-place finisher only in the first half of the Twin  
2 Trifecta, all first half tickets shall be winning tickets and shall be entitled to 100 percent of that  
3 performance's net Twin Trifecta pool, and any existing Twin Trifecta carryover.

4 (17) The Twin Trifecta carryover shall be designated for distribution on a specified date  
5 and performance only under the following circumstances:

6 (a) Upon written approval from the commission as provided in subsection (14) of this  
7 section;

8 (b) Upon written approval from the commission if there is a change in the carryover cap  
9 or if the Twin Trifecta is discontinued; or

10 (c) On the closing performance of the meeting or split meeting.

11 (18) If, for any reason, the Twin Trifecta carryover shall be held over to the corresponding  
12 Twin Trifecta pool of a subsequent meeting, the carryover shall be deposited in an interest-  
13 bearing account approved by the commission. The Twin Trifecta carryover plus accrued interest  
14 shall then be added to the second half Twin Trifecta pool of the following meeting on a date and  
15 performance so approved by the commission.

16 (19) Associations shall not provide information to any individual regarding covered  
17 combinations, the number of tickets sold, or the number of valid exchange tickets. This shall not  
18 prohibit necessary communication between totalizator and pari-mutuel department employees  
19 from processing of pool data.

20 (20)(a) Each association shall disclose in its license application whether it intends to  
21 schedule Twin-Trifecta wagering and, if so, shall disclose:

- 1           1. The percentages of the net pool added to the first half pool and the second half pool;
- 2    and
- 3           2. The amount of any cap to be set on the carryover.
- 4           (b) Any subsequent changes to the Twin Trifecta scheduling require prior approval from
- 5    the commission or its designee.

810 KAR 6:020  
READ AND APPROVED:



Jonathan Rabinowitz

Date

Chair, Kentucky Horse Racing Commission



Kerry Harvey

Date

Secretary, Public Protection Cabinet



## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 a.m. EST on May 24, 2021 at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:020  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation establishes the regulatory framework that applies to the calculation of all pari-mutuel wagers placed on live horse races conducted in the Commonwealth.

(b) The necessity of this administrative regulation: KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering. This regulation establishes methods by which racing associations in the Commonwealth shall calculate payouts on winning pari-mutuel wagers on live horse races conducted in the Commonwealth.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) authorizes the commission to regulate conditions under which horse racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.215(2) grants the commission the authority to regulate conditions under which horse racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. This regulation establishes methods by which racing associations in the Commonwealth shall calculate payouts on winning pari-mutuel wagers on live horse races conducted in the Commonwealth.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will clarify that Section 2 of this regulation applies only to live horse races, rather than live horse races and historical horse races. This amendment also clarifies that the term “takeout” is synonymous with the term “commission.”

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary to clarify previously ambiguous aspects of this regulation.

(c) How the amendment conforms to the content of the authorizing statutes: KRS 230.215(2) authorizes the commission to regulate conditions under which horse racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races under the pari-mutuel system of wagering.

(d) How the amendment will assist in the effective administration of the statutes: KRS 230.215(2) grants the commission the authority to regulate conditions under which horse racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. This regulation clarifies the methods by which racing associations in the Commonwealth shall calculate payouts on winning pari-mutuel wagers on live horse races conducted in the Commonwealth.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, all licensed participants in racing in the Commonwealth, all patrons who place pari-mutuel wagers on live horse races conducted in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: No new or additional action is expected to be required to comply with this regulatory amendment.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(c) As a result of compliance, what benefits will accrue to the entities: Kentucky's eight currently licensed racing associations, any applicant for a racing association license, all licensed participants in racing in the Commonwealth, all patrons who place pari-mutuel wagers on live horse races conducted in the Commonwealth, and the commission will benefit from clearly defined regulatory guidelines concerning pari-mutuel wagering and the calculation and distribution of pools.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(b) On a continuing basis: This proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This proposed amendment is not anticipated to increase compliance costs for any regulated entity or the commission.

(9) TIERING: Is tiering applied? Explain why or why not. Tiering is not applied. All aspects of this regulation will be applied equally to each association.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:020  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission will be impacted by this administrative regulation, as well as the licensed thoroughbred and standardbred racing associations located in the Commonwealth of Kentucky, and the licensed advance deposit wagering companies operating in the Commonwealth.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. The statutory authority for this administrative regulation is found in KRS 230.361.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? It is anticipated that there will be no additional net cost or revenue generated from this administrative regulation.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? It is anticipated that there will be no additional net cost or revenue generated from this administrative regulation.

(c) How much will it cost to administer this program for the first year? It is anticipated that there will be no additional net cost or revenue generated from this administrative regulation.

(d) How much will it cost to administer this program for subsequent years? It is anticipated that there will be no additional net cost or revenue generated from this administrative regulation.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): Neutral

(5) Expenditures (+/-): Neutral

(6) Other Explanation: NA

1 PUBLIC PROTECTION CABINET  
2 Kentucky Horse Racing Commission  
3 (New Administrative Regulation)  
4 810 KAR 6:030. Pari-mutuel wagering.

5 RELATES TO: KRS 230.300, 230.361, 230.3615, 230.370, 230.398, 230.750~~[138.510-~~  
6 ~~138.550, 230.210-230.375, 230.990]~~

7 STATUTORY AUTHORITY: KRS 230.210, 230.215~~[230.215, 230.240, 230.260, 230.280,~~  
8 ~~230.290, 230.300, 230.310, 230.320]~~, 230.361, 230.370

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.215(2) authorizes ~~[grants]~~the  
10 Kentucky Horse Racing Commission (the "commission") ~~[authority]~~ to regulate conditions under  
11 which horse ~~[thoroughbred]~~ racing and pari-mutuel wagering thereon shall be conducted in  
12 Kentucky. KRS 230.361(1) requires the commission~~[authority]~~ to promulgate administrative  
13 regulations governing and regulating pari-mutuel~~[mutuel]~~ wagering on horse races under the  
14 pari-mutuel system of wagering. This administrative regulation establishes the requirements for  
15 the operation of pari-mutuel wagering under KRS Chapter 230 and ~~[810]~~KAR Title 810, Chapter  
16 6~~[4]~~.

17 Section 1. Pari-Mutuel System of Wagering Required.

18 (1) The only wagering permitted on ~~[a]~~ live or historical horse rac~~[race]~~es shall be under  
19 the pari-mutuel system of wagering. All systems of wagering other than pari-mutuel shall be

1 prohibited. Any person participating or attempting to participate in prohibited wagering shall be  
2 ejected and excluded from association grounds.

3 (2) Wagering conducted in conformity with KRS Chapter 230 and ~~[810]~~KAR Title 810  
4 ~~[Chapter 1]~~ is pari-mutuel.

5 Section 2. Totalizator or Other Approved Equipment Required.

6 (1) Pari-Mutuel wagering on live and historical horse races shall only be conducted  
7 through the use of a totalizator or other similar mechanical equipment approved by the  
8 commission pursuant to KRS 230.361.

9 (2) The totalizator or other mechanical equipment shall be available for testing under the  
10 supervision of the commission upon request by the commission to ensure its proper working  
11 order.

12 Section 3. Wagering on ~~[an]~~ Historical Horse Races~~[Race]~~ Authorized.

13 (1) Wagering on ~~[an]~~ historical horse races~~[race]~~ is hereby authorized and may be  
14 conducted in accordance with KRS Chapter 230 and ~~[810]~~ KAR Title 810~~[Chapter 1]~~.

15 (2) Wagering on ~~[an]~~ historical horse races shall only be conducted by:

16 (a) An association licensed to conduct a live horse race meet; or

17 (b) Two (2) or more associations licensed to conduct a live horse race meet:

18 1. Who form a joint venture; or

19 2. Pursuant to an agreement between them.

20 (3) Wagering on ~~[an]~~ historical horse races~~[race]~~ shall only be permitted in a designated  
21 area on the licensed premises of an association licensed to conduct a live horse race meeting.

22 Wagering on historical horse races~~[racing]~~ shall not be offered in any other location.



1 (4) An association may conduct wagering on historical horse races of any horse breed  
2 regardless ~~[regard-less]~~ of the type of breed that primarily races in live meets conducted by the  
3 association. An association may conduct wagering on historical horse races on any days and hours  
4 approved by the commission, and shall not be limited to times during which the association is  
5 conducting a live horse race meeting.

6 (5) Any wager placed on ~~[an]~~ a historical horse race or races is an exotic wager.

7 (6) Before offering wagering on ~~[an]~~ historical horse races ~~[race]~~, an association shall first  
8 obtain the commission's written approval of all wagers offered as set forth in KAR Title 810 ~~[810~~  
9 ~~KAR 1:120]~~.

10 (7) All wagering on ~~[an]~~ historical horse races ~~[race]~~ shall incorporate the following  
11 elements:

12 (a) A patron may only wager on ~~[an]~~ historical horse races ~~[race]~~ on a terminal approved  
13 by the commission;

14 (b) An association shall at all times maintain at least two (2) terminals offering each type  
15 of exotic wager on ~~[an]~~ historical horse races ~~[race]~~;

16 (c) Once a patron deposits an ~~[the wagered]~~ amount in the terminal offering wagering on  
17 ~~[an]~~ historical horse races ~~[race]~~, ~~[an]~~ one or more historical horse ~~[race]~~ races shall be made  
18 available for wagering ~~[chosen at random]~~;

19 (d) Prior to the patron making his or her wager selections, the terminal shall not display  
20 any information that would allow the patron to identify the historical horse race or races on  
21 which he or she is wagering, including the location of the race or races, the date on which the

1 race or races was run, the names of the horses in the race or races, or the names of the jockeys  
2 that rode the horses in the race or races;

3 (e) The terminal shall make available true and accurate past performance information on  
4 the historical horse race to the patron prior to making his or her wager selections. The  
5 information shall be current as of the day the historical horse race was actually run. The  
6 information provided to the patron shall be displayed on the terminal in data or graphical form;  
7 and

8 (f) After a patron finalizes his or her wager selections, the terminal shall display the  
9 patron's selections, the official results of each race, and a~~[video]~~ replay of the race or races, or a  
10 portion thereof, whether by digital or animated depiction or by way of a video recording ~~[and the~~  
11 ~~official results of the race]~~. The identity of each ~~[the]~~ race shall be revealed to the patron after  
12 the patron has placed his or her wager.

13 Section 4. Payouts through Pari-Mutuel Pools Authorized~~[Only Out of Pari-Mutuel Pools:~~  
14 ~~Pari-mutuel Seed Pools Required]~~.

15 (1)(a) A wager on a~~[an]~~ historical horse race or races, less deductions permitted by KRS  
16 Chapter 230 or ~~[810]~~ KAR Title 810 ~~[Chapter 1]~~, shall be placed in pari-mutuel pools approved by  
17 the commission.

18 (b) A payout to a winning patron shall be paid from money wagered by patrons and shall  
19 not constitute a wager against the association.

20 (c) An association conducting wagering on ~~[an]~~ historical horse races~~[race]~~ shall not  
21 conduct wagering in such a manner that patrons are wagering against the association, or in such

1 a manner that the amount retained by the association as a commission is dependent upon the  
2 outcome of any particular race or the success of any particular wager.

3 (2) ~~[An association shall only pay a winning wager on a historical horse race out of the~~  
4 ~~applicable pari-mutuel pool and shall not pay a winning wager out of the association's funds.~~  
5 ~~Payment of a winning wager shall not exceed the amount available in the applicable pari-mutuel~~  
6 ~~pool.]~~

7 [(3)] An association offering wagering on ~~[an]~~ historical horse races shall operate a pari-  
8 mutuel pool or pools in a manner and method approved by the commission. An association  
9 offering wagering on historical horse races may operate a player-funded pool or~~[seed]~~ pools in a  
10 manner and method approved by the commission for the purpose of ensuring that sufficient  
11 funds are at all times available to pay any winning wagers in situations where a pari-mutuel pool  
12 becomes a minus pool~~[as set forth in 810 KAR 1:120]~~ as defined by 810 KAR 6:001. For each wager  
13 made, an association may assign a percentage of the wager to ~~[seed]~~ a player-funded pool or  
14 pools~~[The seed pools shall be maintained and funded so that the amount available at any given~~  
15 ~~time is sufficient to ensure that a patron will be paid the minimum amount required on a winning~~  
16 ~~wager].~~

17 (3) If an association chooses to make a deposit into a trust account for the purpose of  
18 ensuring that sufficient funds are at all times available to pay any winning wagers in situations  
19 where a pari-mutuel pool becomes a minus pool, then such trust account must be approved by  
20 the commission.

1           ~~[(4) An association shall provide the funding for the initial seed pool for each type of exotic~~  
2 ~~wager. The funding for the initial seed pool shall be nonrefundable and in an amount sufficient~~  
3 ~~to ensure that a patron will be paid the minimum amount required on a winning wager.]~~

4           Section 5. Location of Terminals Used for Wagering on ~~[an]~~ Historical Horse Races ~~[Race]~~.

5           (1) Terminals offering wagering on historical horse races shall be located within  
6 designated areas which have the prior written approval of the commission. Designated areas  
7 shall be established in such a way as to control access by the general public and prevent entry by  
8 any patron who is under eighteen (18) years of age or is otherwise not permitted to place wagers.

9           (2) Each association shall monitor persons entering and leaving the designated areas and  
10 shall prevent access to any patron who is under eighteen (18) years of age or is otherwise not  
11 permitted to place wagers on historical horse races.

12           (3) Each association shall provide terminals that are accessible to handicapped patrons.

13           Section 6. Records to be Maintained.

14           (1) Each association and each simulcast facility authorized under KRS 230.380 shall  
15 maintain complete records of all pari-mutuel wagering transactions on live and historical horse  
16 races, including the amounts wagered at each betting window, self-service totalizator, mobile  
17 pari-mutuel teller, and terminal.

18           (2) A copy of the wagering records shall be retained and safeguarded for a period of not  
19 less than two (2) years and shall not be destroyed without the prior written permission of the  
20 commission.

1           Section 7. Equipment.

2           (1) The association and the totalizator provider shall install a primary and secondary  
3 device, which activate the stop betting function of the totalizator system. The chief state steward,  
4 presiding judge, or his or her designee, shall use the primary device to stop wagering at the start  
5 of a live horse race. If wagering is not stopped by the primary device at the start of the race, the  
6 totalizator operator shall stop wagering using the secondary device. The secondary device shall  
7 be installed in the totalizator room and shall only be used by the totalizator operator.

8           (2) If there is a complete breakdown of the totalizator or mechanical equipment during  
9 the wagering on a live horse race, the wagering on that race shall be declared closed. If the  
10 totalizator remains capable of computing payouts, the payouts for that race shall be computed  
11 based on the amounts wagered prior to the breakdown. If the totalizator is incapable of  
12 computing payouts, then refunds shall be issued for all amounts wagered on that race.

13           (3) If there is a complete breakdown of a terminal offering wagering on ~~an~~ historical  
14 horse races~~[race]~~, the association offering the wager shall make a full refund of the patron's  
15 balance on the terminal at the time of the breakdown.

16           Section 8. Entries in a Live Horse Race.

17           (1) The chief state steward or presiding judge shall timely advise an association's pari-  
18 mutuel manager, prior to the beginning of wagering on each live horse race, of the horses that  
19 will compete in the race.

20           (2) If two (2) or more horses entered for the same live horse race are determined by the  
21 commission to have common ties through ownership or training, they may be joined by the  
22 commission as a mutuel entry. The mutuel entry shall become a single betting interest and a

1 wager on one (1) horse in a mutuel entry shall be a wager on all horses in the same mutuel entry.  
2 If the number of horses competing in a live horse race exceeds the numbering capacity of the  
3 totalizator, the racing secretary shall assign the highest pari-mutuel numbers to horses so that  
4 the highest numbered horse within the numbering capacity of the totalizator, together with  
5 horses of higher numbers, shall be grouped in the mutuel field as a single betting interest, and a  
6 wager on one (1) horse in the mutuel field shall be a wager on all horses in the same mutuel field.

7 (3) A refund at cost value shall be made to all holders of a purchased ticket bearing the  
8 number of a horse in any race that has been scratched or withdrawn before the horse has  
9 become a starter, unless the horse is part of a mutuel entry, and one (1) or more of the entry  
10 starts.

11 Section 9. Sale of Pari-Mutuel Tickets on Live Horse Races.

12 (1) The following types of pari-mutuel wagering shall be permitted on a live horse race at  
13 all licensed associations and simulcast facilities:

- 14 (a) Normal win, place, and show wagers on each race;
- 15 (b) Any exotic wager previously approved by the commission; and
- 16 (c) Any new exotic wager approved in writing by the commission pursuant to KAR Title

17 810~~[810 KAR 1:120]~~.

18 (2) Pari-mutuel tickets on live horse races shall not be sold except by a licensed association  
19 or a simulcast facility authorized by KRS 230.380.

20 (3) Pari-mutuel tickets on a live horse race shall only be sold at regular ticket windows,  
21 self-service totalizator machines, by mobile pari-mutuel tellers with hand-held totalizator  
22 devices, or by any other method approved in writing by the commission prior to being offered to

1 the public. At least one (1) regular ticket window shall be made accessible to handicapped  
2 patrons.

3 (4)(a) Pari-mutuel stored value cards or cash vouchers may be offered by an association.  
4 The dollar amount on the stored value card or cash voucher may be redeemed at any time at any  
5 regular ticket window, or used to fund additional wagers.

6 (b) Cash vouchers shall be valid for one (1) year after the date of issuance. Failure to  
7 present any cash voucher for redemption within one (1) year of issuance shall constitute a waiver  
8 of the right to receive payment on the voucher.

9 (5) A pari-mutuel wager shall not be made on a race after the totalizator has been locked  
10 for that race.

11 (6) Any claim by a patron that he or she has been issued a pari-mutuel ticket other than  
12 that which was requested shall be made before the patron has left the ticket window or before  
13 the mobile teller has initiated a transaction with another patron. A claim for an incorrect ticket  
14 shall not be honored after the totalizator has been locked.

15 Section 10. Payment on Pari-Mutuel Tickets on Live Horse Races.

16 (1) At the end of each live horse race, the placing judges shall advise the manager of the  
17 pari-mutuel department by the use of the totalizator equipment or by telephone of the official  
18 placement of the horses, and payouts shall not be made until the receipt of the notice.

19 (2) Payment of valid pari-mutuel tickets shall be made on the basis of the order of finish  
20 as declared "official" by the stewards or judges. A subsequent change in the order of finish or  
21 award of purse money that may result from a subsequent ruling by the stewards, judges, or  
22 commission shall not affect the pari-mutuel payout.

1           (3) Each association shall deduct from each pari-mutuel pool a commission, not exceeding  
2 the commission provided by KRS 230.3615 or KRS 230.750. The remainder of the pari-mutuel  
3 pool after the deduction of the commission shall be the net pool for distribution as payouts to  
4 ticket holders.

5           (4) Payment on valid pari-mutuel tickets shall be made only if presented and surrendered  
6 within one (1) year following the running of the live horse race on which the wager was made.  
7 Failure to present a ticket within one (1) year shall constitute a waiver of the right to receive  
8 payment on the ticket.

9           (5) The association shall be responsible for the correctness of all payout prices posted as  
10 "official." If an error is made in posting the payout figures, and ascertained before any tickets are  
11 cashed, the posting error shall be corrected, accompanied by a public address announcement,  
12 and only the correct amounts shall be used in the payout, irrespective of the initial error.

13           (6) A mutilated pari-mutuel ticket that is not easily identifiable as being a valid ticket shall  
14 not be accepted for payment.

15           (7) An association shall establish a written procedure for granting patrons an opportunity  
16 to file a claim on a lost pari-mutuel ticket and provide a copy to the commission.

17           (8) Prior to posting payouts, the association's pari-mutuel manager shall require the  
18 verification of the winning runners and prices prior to posting official results.

19           (9)(a) If an error is made in calculating the payout on a winning wager, resulting in  
20 overpayment, the association shall be responsible for the amount between the correct payout  
21 and the amount paid.



1 (b) If the error in calculation results in a payout being too low, the amount between the  
2 correct payout and the amount paid shall be added to the net pool of the same position in the  
3 following race on the same day or, if it is the last race of the day, then it shall be added to the net  
4 pool of the same position in the same race on the following day. If an error occurs in computing  
5 the daily double pool, the underpayment shall be added to the daily double pool of the following  
6 day.

7 (c) If an error occurs causing underpayment on the last race of the entire racing meeting,  
8 the amount of the underpayment shall be paid to the Kentucky Revenue Cabinet.

9 Section 11. Minimum Wagers and Payouts.

10 (1) The minimum wager to be accepted by any licensed association on a live horse race  
11 shall be ten (10) cents. The minimum payout on a one (1) dollar wager on a live horse race shall  
12 be one (1) dollars and ten (10) cents, unless a minus pool occurs. If a minus pool occurs, the  
13 minimum payout for a one (1) dollar wager shall be one (1) dollar and five (5) cents.

14 (2) The minimum wager to be accepted by an association on an exotic wager based on  
15 the outcome of a historical horse race or races shall be ten (10) cents.~~[The minimum wager to be~~  
16 ~~accepted by any licensed association on a[an] historical horse race shall be ten (10) cents.]~~ The  
17 minimum payout on any wager shall not be less than the amount wagered.

18 Section 12. Minors Prohibited from Wagering.

19 A minor shall not be permitted by any licensed association or simulcast facility to purchase  
20 or cash a pari-mutuel ticket.

1           Section 13. Odds and payouts posted.

2           (1) Approximate odds for live horse races, based on win pool betting for finishing first for  
3 each betting interest, shall be posted on one (1) or more boards or television screens within view  
4 of the wagering public at intervals of not more than ninety (90) seconds.

5           (2) If daily double wagering is conducted on a live horse race, before off-time of the  
6 second daily double race, the probable payout for each two (2) dollar daily double wager  
7 combining the winner of the first daily double race with every horse or betting interest in the  
8 second daily double race shall be posted; except that if a dead heat for first in the first daily  
9 double race occurs, or a scheduled starter in the second daily double race is excused so as to  
10 cause a consolation daily double pool, then posting of all possible payouts shall not be  
11 mandatory, but the association shall make every effort to compute such daily double prices and  
12 advise the public by posting or public address announcement as soon as possible and prior to the  
13 running of the second daily double race.

14           (3) For wagering on ~~an~~ historical horse races, ~~race~~ approximate odds or payouts for  
15 each pari-mutuel ~~wagering~~ pool shall be posted or made available on each terminal for viewing  
16 by patrons~~[at intervals of no more than ninety (90) seconds]~~.

17           Section 14. Betting Explanation.

18           (1) Each association shall publish in the daily race program, for each day of live horse  
19 racing, a general explanation of pari-mutuel wagering offered on live horse races and an  
20 explanation of each type of pari-mutuel ~~betting~~ pool offered. The explanation also shall be  
21 posted in conspicuous places about the association grounds to adequately inform the public and  
22 shall be submitted to the commission prior to publication for approval.

1 (2) Each association shall post, in conspicuous places in the designated area, a general  
2 explanation of pari-mutuel wagering offered on historical horse races and an explanation of each  
3 pari-mutuel~~[betting]~~ pool offered. The explanation shall be submitted to the commission for  
4 approval prior to its posting.

5 Section 15. Prior Approval Required for Number of Live Horse Races.

6 Each association desiring to conduct more than nine (9) live horse races on a single day  
7 shall first apply in writing to the commission and obtain specific approval of the number of live  
8 horse races to be offered on a single day.

9 Section 16. Pari-mutuel Pools Dependent upon Entries for Live Horse Races.

10 (1) If horses representing five (5) or fewer betting interests qualify to start in a live horse  
11 race, the association may prohibit show wagering on that race. If horses representing four (4) or  
12 fewer betting interests qualify to start in a live horse race, the association may prohibit both place  
13 and show wagering on that race.

14 (2) If a horse is scratched by the stewards or judges after wagering has commenced, or if  
15 a horse is prevented from running in a live horse race because of failure of a starting-gate door  
16 to open properly, and the number of actual starters representing different betting interests is:

17 (a) Reduced to five (5), the association may cancel show wagering on that race and the  
18 entire show pool shall be refunded upon presentation and surrender of show tickets; or

19 (b) Reduced to four (4) or fewer, the association may cancel both place and show  
20 wagering on that race and the entire place and show pool shall be refunded upon presentation  
21 and surrender of place and show tickets.

1           Section 17. Emergency Situation.

2           If any emergency arises in connection with the operation of the pari-mutuel department  
3 not provided for by this administrative regulation, the pari-mutuel manager shall take immediate  
4 corrective action and shall by the quickest means possible notify the chief state steward or  
5 presiding judge and render a full report to the commission.

6           Section 18. Severability.

7           In the event that any provision or administrative regulation of this chapter is found to be  
8 invalid, the remaining provisions of this chapter shall not be affected nor diminished thereby.

810 KAR 6:030  
READ AND APPROVED:

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Jonathan Rabinowitz	Date
Chair, Kentucky Horse Racing Commission	

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Kerry B. Harvey	Date
Secretary, Public Protection Cabinet	

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on May 24, 2021 at Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on May 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Jennifer Wolsing

Title: General Counsel

Address: Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, KY 40511

Phone: +1 (859) 246-2040

Fax: +1 (859) 246-2039

Email: [jennifer.wolsing@ky.gov](mailto:jennifer.wolsing@ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 810 KAR 6:030  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation establishes the regulatory framework that applies to all pari-mutuel wagering on live and historical horse races in the Commonwealth. It authorizes pari-mutuel wagering on historical horse races and requires the use of pari-mutuel pools for such wagers. It establishes where, and under what circumstances, pari-mutuel wagering on live and historical horse races may take place. It places requirements on how winning pari-mutuel wagers shall be paid. It requires associations to maintain records regarding all pari-mutuel wagering at their facilities and to make them available to the commission on request. It establishes guidelines for the equipment used by the association to offer pari-mutuel wagering and provides requirements for the sale of pari-mutuel tickets. It establishes minimum wager amounts and payouts for pari-mutuel wagers on live and historical horse races.

(b) The necessity of this administrative regulation: This regulation is necessary for the commission to regulate the integrity of pari-mutuel wagering in the Commonwealth.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in Kentucky. KRS 230.361(1) requires the commission to promulgate administrative regulations governing and regulating pari-mutuel wagering on horse races. This regulation establishes the regulatory framework that applies to all pari-mutuel wagering on live and historical horse races in the Commonwealth.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: KRS 230.215(2) authorizes the commission to regulate the conditions under which racing and pari-mutuel wagering thereon shall be conducted in the Commonwealth. This regulation provides the specific rules for pari-mutuel wagering on live and historical horse races in the Commonwealth.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This regulation is not an amendment. It is a new regulation.

(b) The necessity of the amendment to this administrative regulation: This regulation is not an amendment. It is a new regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This regulation is not an amendment. It is a new regulation.

(d) How the amendment will assist in the effective administration of the statutes: This regulation is not an amendment. It is a new regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation will affect the eight currently-licensed racing associations in the Commonwealth, any applicant for a racing association license, the owners and trainers who participate in racing in the Commonwealth, the jockeys who ride in the Commonwealth, the harness drivers who drive in the Commonwealth, the patrons who place pari-mutuel wagers on live and historical horse races in the Commonwealth, and the commission.

(4) Provide an analysis of how the entities identified in the previous question will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions each of the regulated entities have to take to comply with this regulation or amendment: The licensed racing associations will be required to follow the procedure outlined in the regulation to offer pari-mutuel wagering. This regulation will not require the regulated entities to take any additional compliance measures that they are not already taking.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities: This new regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission.

(c) As a result of compliance, what benefits will accrue to the entities: The associations will be able to offer pari-mutuel wagering options to patrons. Pari-mutuel wagering will increase on-track attendance and total pari-mutuel handle. The increase revenue can be used to maintain and improve racing association facilities and supplement purses for live races run at each association. The increased purses will help the associations to compete with racing associations in neighboring states that offer expanded gaming options. The owners, trainers, jockeys and harness drivers will benefit from increased purses, as well as any improvements to an association's facilities. The patrons will benefit from any improvements to an association's facilities, as well as from increased pari-mutuel wagering options.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:



(a) Initially: This new regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(b) On a continuing basis: This new regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. The racing associations will continue to experience costs due to employee compensation and expenses, as well as equipment maintenance. The commission will be reimbursed by the associations for additional employee compensation and other expenses pursuant to KRS 230.240.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: This new regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. As a general rule, the commission is reimbursed by the association for additional employee compensation and other expenses pursuant to KRS 230.240.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This new regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This new regulation is not anticipated to increase compliance costs significantly for any regulated entity and will not increase compliance costs for the commission. However, as in previous version of this regulation, the associations that request and receive permission to offer pari-mutuel wagering on historical horse races will be required to reimburse the commission for the cost of compensation of additional employees and expenses pursuant to KRS 230.240.

(9) TIERING: Is tiering applied? Explain why or why not. Tiering is not applied. All aspects of this regulation will be applied equally to each association.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 810 KAR 6:030  
Contact Person: Jennifer Wolsing  
Phone: +1 (859) 246-2040  
Email: jennifer.wolsing@ky.gov

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Horse Racing Commission and the Department of Revenue.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 230.210, KRS 230.215, 230.361, and 230.370.

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This new regulation is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this new regulation will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering. As is the case under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This new regulation is not anticipated to increase revenue any more than the current regulatory scheme does. Instead, this new regulation will preserve tax revenue by allowing associations to continue offering pari-mutuel wagering. As is the case under the current regulatory scheme, the amount of tax revenue will be dependent on the number of terminals the associations install and operate.

(c) How much will it cost to administer this program for the first year? This new regulation is not anticipated to increase revenue any more than the current regulatory scheme does. As is the case under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

(d) How much will it cost to administer this program for subsequent years? This new regulation is not anticipated to increase revenue any more than the current regulatory scheme does. As is the case under the current regulatory scheme, the costs largely come from employee compensation and expenses, as well as equipment maintenance. The commission is reimbursed for these costs by the associations.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

(4) Revenues (+/-): None.

(5) Expenditures (+/-): None.

(6) Other Explanation: N/A



Andy Beshear  
Governor

Ray Perry  
Deputy Secretary

Public Protection Cabinet  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Telephone: (859) 246-2040  
Fax: (859) 246-2039

Kerry B. Harvey  
Secretary

Marc Guilfoil  
Executive Director

Jonathan Rabinowitz  
Chairman

February 12, 2021

To: Kentucky Horse Racing Commission

From: Chad Thompson Deputy General Counsel  
Waqas Ahmed Director of Pari-Mutuel Wagering and Compliance

Re: Conditions to Conduct Historical Horse Racing for 2021

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The Kentucky Horse Racing Commission ("Commission") staff proposes the attached conditions to conduct historical horse racing ("HHR") for the calendar year 2021. Please note, the following changes are being proposed in contrast with last year's conditions:

1. Notification Method and Period – the proposed changes will allow licensed associations to notify the Commission staff of any events affecting integrity and security of pari-mutuel wagering and other significant events within thirty (30) minutes by hand delivery or electronic mail.

COMMISSION ACTION

\_\_\_\_\_  
APPROVE

\_\_\_\_\_  
DENY

\_\_\_\_\_  
DEFER

## **Conditions to Conduct Historical Horse Races for 2021**

### **Kentucky Horse Racing Commission**

The association, as a condition to operate an Historical Horse Racing (“HHR”) facility during the year 2021, agrees and hereby certifies that it shall comply with the following conditions and acknowledges that the Kentucky Horse Racing Commission (“KHRC”) may enforce these conditions pursuant to KRS Chapter 230 and the regulations promulgated pursuant thereto. The association acknowledges that the KHRC has the authority under KRS 230.320 to assess fines or other penalties and may revoke approval for conducting wagering on HHR.

- 1) The association shall notify the KHRC within thirty (30) minutes if it becomes aware of an awagering event or occurrence that is believed to adversely affect or could have adversely affected the security and/or integrity of wagering on historical horse races.
- 2) The association shall post policies and procedures related to pari-mutuel wagering on HHR on its website. A printed copy of the policies and procedures shall also be available at a customer service counter or its equivalent on association grounds.
- 3) The KHRC shall have complete access to all security information and data, including video/digital surveillance data, upon request. A digital copy of the information shall be available to the KHRC upon request.
- 4) Approval by the KHRC of a historical horse racing wager is contingent upon the following requirements, at a minimum:
  - a) Receipt of a written report, satisfactory to the KHRC, from the independent testing laboratory chosen by the KHRC, that confirms that each terminal, the communications system, the totalizator system or other similar mechanical equipment, and all other components used for wagering on HHR, comply with the applicable provisions of KRS Chapter 230 and regulations promulgated pursuant thereto; and
  - b) Receipt of a written report, satisfactory to the KHRC, from the independent testing laboratory chosen by the KHRC, that confirms that the wagers proposed constitute pari-mutuel wagering on HHR and comply with the applicable provisions of KRS Chapter 230 and regulations promulgated pursuant thereto.
- 5) No HHR wager shall be offered unless KHRC approves the following facility specifications pertaining to HHR wagering, and no modifications to the specifications may be implemented unless specifically approved in writing in advance by the KHRC:
  - a. HHR wagering pools and entertaining game themes;
  - b. Authorized totalizator company;
  - c. Layout of terminals in the designated area for HHR;
  - d. Total number of terminals authorized;

- e. Total number of active terminals;
  - f. Physical layout of the designated area;
  - g. Security protocols and usage of monitoring equipment;
  - h. Hours of operation.
- 6) For any position that an association or the KHRC determines to be “sensitive,” the association shall contract with a KHRC-approved entity to perform a background check. The association shall submit to the KHRC for approval the name and information of the entity it proposes to use to conduct the background checks. The background check shall be performed and submitted to the KHRC for review and approval prior to filling such position.
  - 7) The association shall require every employee to display his or her KHRC license badge at all times while in designated areas offering HHR.
  - 8) The association shall develop uniform guidelines for logging any and all actions taken at the terminals by employees or vendors. The guidelines and logs shall be made available to the KHRC upon request.
  - 9) The association approved to offer wagering on HHR shall create a non-refundable pool of money (the “Initial Seed Pool”) to be used as funding for the wagering pools for each approved wager in an amount to be determined by the KHRC. The KHRC may, in its sole discretion, require additional non-refundable monies to be added to the Initial Seed Pool.
  - 10) The money for the Initial Seed Pool, as described in Condition No. 9, shall be deposited into a Trust approved by the KHRC. The Trust shall be managed by a financial institution approved by the KHRC. The association shall provide the KHRC with a daily accounting of its seed pool activity.
  - 11) An association shall not commingle wagering pools or Initial Seed Pools on HHR with the wagering pools of another association without first submitting a detailed proposal to the KHRC and obtaining written authorization to implement the proposal for commingling.
  - 12) If at any time, an association’s Initial Seed Pool is depleted by seventy percent (70%) of the total amount determined in Condition No. 9 the association shall notify the KHRC within thirty (30) minutes of the depletion of the Initial Seed Pool. The association shall inform the KHRC within four (4) hours of any plan to address the funding issue.
  - 13) If, at any time, the Initial Seed Pool is depleted by ninety percent (90%) of the total amount determined in Condition No. 9, the association shall immediately notify the KHRC and immediately take action to increase the Initial Seed Pool to forty percent (40%) of the total amount determined in Condition No. 9.

- 14) At the beginning of each day and upon request, the association shall provide the KHRC with a report showing the wagering activity of the HHR pools. The reports shall include the following:
- (a) Current values of each pari-mutuel wagering pool, including seed pools and allocated prize pools;
  - (b) Total amounts wagered for all pools;
  - (c) Total amounts won by players for all pools;
  - (d) Total commission withheld for all pools;
  - (e) Total breakage for all pools, where applicable;
  - (f) Total amount wagered at each terminal;
  - (g) Total amount won by players at a terminal;
  - (h) The amount wagered on each mathematical model configuration and the amount won from each mathematical model configuration offered at a terminal;
  - (i) Total amount of each type of financial instrument inserted into a terminal;
  - (j) Total amount cashed out in voucher or handpays at a terminal; and
  - (k) Taxable win events including:
    - 1. Time and date of win;
    - 2. Wagering terminal ID;
    - 3. Amount wagered resulting in taxable win;
    - 4. Taxable amount won; and
    - 5. Withholding amount.
- 15) An association shall submit an electronic copy of the Kentucky Department of Revenue “Historical Pari-Mutuel Report” Form 73A101 (or equivalent) to the KHRC Director of Pari-Mutuel Wagering via email no later than 4:30 p.m. on the fifth business day (excluding Saturday and Sunday) following the close of each racing week. A race week begins on Monday and ends on Sunday.
- 16) All notices required to be given to the KHRC immediately under these conditions of licensure shall be provided to the Executive Director or the Director of Pari-mutuel Wagering and Compliance by a telephone call. All other notices required to be given to the KHRC shall be provided to the Executive Director or the Director of Pari-Mutuel Wagering and Compliance hand delivery or electronic mail.
- 17) Any changes to historical horse racing operations that require KHRC approval shall be submitted to the Executive Director and Director of Pari-mutuel Wagering and Compliance in writing no fewer than 96 hours before the requested change. The request may be made by hand delivery or electronic mail.
- 18) Additional conditions may be added to these requirements at any time at the discretion of the KHRC.

**CERTIFICATION**

I, \_\_\_\_\_, a duly authorized representative of  
\_\_\_\_\_, hereby acknowledge and certify  
acceptance of the above conditions to the association's license to conduct historical horse races  
in the Commonwealth of Kentucky for the year 2021.

\_\_\_\_\_  
Authorized representative of association

\_\_\_\_\_  
Date





Andy Beshear  
Governor

Ray Perry  
Deputy Secretary

Public Protection Cabinet  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Telephone: (859) 246-2040  
Fax: (859) 246-2039

Kerry B. Harvey  
Secretary

Marc Guilfoil  
Executive Director

Jonathan Rabinowitz  
Chairman

February 12, 2021

To: Kentucky Horse Racing Commission

From: T. Chad Thompson Deputy General Counsel  
Jennifer Wolsing General Counsel  
Waqas Ahmed Director of Pari-Mutuel Wagering and Compliance

Re: Proposed Classification Process for Historical Horse Racing Administrative Requests

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Please allow this memorandum to serve as a summary of the proposed process for classifying administrative requests relating to historical horse racing ("HHR").

It should be noted that any racing association's initial request to offer an exotic wager on HHR is subject to the review and approval by a quorum of the KHRC's appointed membership. However, the KHRC also frequently receives various requests to modify certain aspects of a racing association's existing, previously approved HHR operations.

Although some of the submitted requests are substantive—and therefore require the consideration of a quorum of the KHRC's appointed membership, as all initial requests undergo—many other requests could be more appropriately classified as administrative. Nevertheless, 810 KAR 1:120, 811 KAR 1:250, and 811 KAR 2:160 are all clear in their requirement that "An association shall not implement any change or modification to the practices, procedures, or representations upon which the approval of the exotic wager was based without the prior written approval of the commission."

Because the KHRC only meets in its entirety on a bi-monthly basis, requiring an approval of all administrative requests by a quorum of the KHRC's appointed membership would create a cumbersome process that would impede licensed racing associations from managing their day-to-day business operations in an effective and efficient manner.

As such, the KHRC staff recommends that the KHRC expressly authorize the KHRC's Executive Director to approve or deny administrative requests related to HHR. This

delegation is appropriate pursuant to KRS 230.230, which vests the Executive Director with responsibility for “the day-to-day operations of the racing commission.”

In granting this authority, some of the Executive Director’s decisions on any such administrative requests would remain subject to subsequent review and ratification by a quorum of the KHRC’s appointed membership. Other decisions would be appropriate for approval without ratification—particularly those that implement items previously approved by a quorum of the KHRC’s appointed membership. In contrast, any request for a substantive modification that could impact the safety or integrity of horse racing or pari-mutuel wagering in the Commonwealth of Kentucky will be subject to review and approval by a quorum of the KHRC’s appointed membership.

Due to the unique nature of many HHR requests, their classification will be handled on a case-by-case basis. With that being said, each of the following lists— which are not all-inclusive and are instead intended to be illustrative—provides the proposed classification process for HHR administrative requests.

Approval of HHR Administrative Requests by Executive Director:

- Requests to alter floor layout (switching, moving or replacing terminals, etc.);
- Requests to update software accompanied by relative independent, third party testing laboratory reports (minor changes, integrity fixes;
- Requests to alter operating hours;
- Requests to deploy previously approved terminals, pari-mutuel pools, entertaining game themes, system components accompanied by relative independent, third party testing laboratory reports, etc.; and
- Requests to host demonstration units at KHRC licensed facilities

Approval of HHR Requests by a quorum of the KHRC’s appointed membership:

- Requests to offer new HHR terminals, pari-mutuel pools, entertaining game themes, system components accompanied by relative independent, third party testing laboratory reports;
- Requests to increase total allotment of HHR terminals for KHRC licensed facilities; and
- Requests for expansion of HHR-designated floor space

In sum, the KHRC staff believes that the above-referenced grant of authority to the Executive Director would be appropriate under the outlined circumstances, and recommends approval of this memorandum.

COMMISSION ACTION

\_\_\_\_\_ APPROVE

\_\_\_\_\_ DENY

\_\_\_\_\_ DEFER

## 2020 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
20-0081	11/27/2020	11/25/2020	David L. Cohen	Careless riding		Suspended 3 days December 2 through December 4, 2020		Suspension served
20-0082	11/27/2020	11/26/2020	John D. McKee	Careless riding		Suspended 3 days December 2 through December 4, 2020		Suspension served
20-0083	12/5/2020	12/3/2020	Angel E. Serpa	Careless riding		Suspended 3 days December 17 through December 19, 2020		APPEALED
20-0084	12/12/2020	7/2/2020	John A. Ortiz	Clenbuterol #E371695	B	Suspended 30 days, 15 to be served December 20, 2020 through January 3, 2021 (inclusive). (Remaining 15 days stayed pending no further medication violation in 365 days)	\$ 500	Not Paid
20-0085	12/12/2020	7/2/2020	Jon Fox (owner)	Clenbuterol #E371695	B	Woopigsooie disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
20-0086	12/18/2020	10/17/2020	Robert B. Hess, Jr.	Methocarbamol #E410425	C	Fined	\$ 500	Fine paid
20-0087	12/18/2020	10/17/2020	Ron Paolucci and Jeffrey Lambert (owners)	Methocarbamol #E410425	C	Kiffle disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
20-0088	12/18/2020	10/28/2020	Brad H. Cox	Phenylbutazone #378399	C	Fined	\$ 500	Fine paid

## 2020 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
20-0089	12/18/2020	10/28/2020	Richard B. Klein (owner)	Phenylbutazone #378399	C	Carry On disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
20-0090	12/18/2020	10/29/2020	Merrill C. Roberts	Phenylbutazone #378490	C	Fined	\$ 500	Fine paid
20-0091	12/18/2020	10/29/2020	Merrill C. Roberts (owner)	Phenylbutazone #378490	C	Mr. Mutadda disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
20-0092	12/28/2020	1/14/2011	Carol Cobb	Settlement Agreement Suspended		Suspended 180 days January 1 through June 29, 2021 (inclusive)		Current suspension
20-0093	12/29/2020	12/29/2020	Ray Wilson	Disorderly conduct (failed to heed directive of security personnel)		Fined	\$ 50	Fine paid

**2020 TB RULINGS LIST BY CATEGORY ( Through December 31, 2020 )**

**MEDICATION VIOLATIONS**

<u>Medication Class</u>	<u>Total</u>	<u>Fines</u>	<u>Suspensions</u>	<u>Disqualifications</u>	<u>Appeals</u>	<u>Explanations</u>
Class A	1	1	1	1	0	Cardarine
Class B	4	4	4	4	0	Gabapentin, Carisoprodol and metabolite Meprobamate, Cannabidiol, Clenbuterol
Class C	10	9	0	9	0	Naproxen, Dexamethasone, Ketoprofen (warning letter), Betamethasone, Phenylbutazone (now Class C over .3 mcg/ml), Methocarbamol
Class D	2	2	0	0	0	Omeprazole, Ranitidine
NSAIDS	3	3	0	1	0	Phenylbutazone, Phenylbutazone over 5.0 (DQ)
Multiple NSAIDS	0	0	0	0	0	
TCO2	0	0	0	0	0	
Subtotal	<u>20</u>	\$10,000				

**NON-MEDICATION VIOLATIONS**

**Jockey Violations**

Careless Riding	16	0	16	0	3	Routine riding offenses
Overly Aggressive Riding	0	0	0	0	0	
Other Disciplinary Violations	4	4	0	0	0	improper use of the riding crop
Subtotal	<u>20</u>	\$1,500				

**Other Licensee Violations**

Misc. violations by licensees	2	1	1	0	0	Falsification of license application, violated regulation that governs claiming
Disorderly conduct and formal ejections	12	2	10	0	0	Formal ejection from location under KHRC jurisdiction, Criminal charges, use of profanity toward security personnel, attempted assault of security guard, failure to obey directive of security guard
Suspended for non payment of fines	0	0	0	0	0	
Subtotal	<u>14</u>	\$750				

<b>Other Rulings Issued</b>	39	\$3,500	0	0	0	The remaining 39 rulings that have been issued in 2020 are for information only and include purse redistributions, penalty applied after withdrawal of appeal, restored to good standing, Court Order affirming KHRC Final Order, Settlement Agreement and Stipulation, extension of apprentice allowance granted, license rescinded
<b>TOTAL 2020 RULINGS</b>	<u>93</u>	<u>\$15,750</u>				

## 2021 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
21-0001	1/8/2021	11/1/2020	Corey J. Lanerie	Withdrew appeal of ruling #20-0075 issued November 4, 2020		Suspended 5 days January 14, 15, 16, 21 and 22, 2021		Suspension served
21-0002	1/14/2021	10/11/2020	Lee Levinson and Clark O. Brewster (owners)	Dexamethasone #E378301	C	Saffa's Day disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
21-0003	1/14/2021	8/23/2020	Barry L. King	Betamethasone #E377495	C	Fined	\$ 500	APPEALED
21-0004	1/14/2021	8/23/2020	Barry L. King (owner)	Betamethasone #E377495	C	Miss Pinkerton disqualified and purse redistributed. All purse monies must be returned to the association.		APPEALED
21-0005	1/20/2021	1/15/2021	Jermaine V. Bridgmohan	Careless riding		Suspended 3 days January 22, 23 and 28, 2021		Suspension served
21-0006	1/20/2021	11/14/2019	Joe Sharp	Levamisole #E356808	B	Suspended 30 days February 12 through March 13, 2021 (inclusive) and fined	\$ 500	APPEALED
21-0007	1/20/2021	11/14/2019	Barry and Joni Butzow (owners)	Levamisole #E356808	B	Zero Gravity disqualified and purse redistributed. All purse monies must be returned to the association.		APPEALED

## 2021 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
21-0008	1/20/2021	11/22/2019	Joe Sharp	Levamisole #E356651	B	Suspended 30 days February 12 through March 13, 2021 (inclusive) and fined. Suspension runs concurrently with suspension imposed in ruling #21-0006	\$ 500	APPEALED
21-0009	1/20/2021	11/22/2019	Brad Grady	Levamisole #E356651	B	Chitto disqualified and purse redistributed. All purse monies must be returned to the association.		APPEALED
21-0010	1/20/2021	11/23/2019	Joe Sharp	Levamisole #E356583	B	Suspended 30 days February 12 through March 13, 2021 (inclusive) and fined. Suspension runs concurrently with suspension imposed in ruling #21-0006	\$ 500	APPEALED
21-0011	1/20/2021	11/30/2019	Joe Sharp	Levamisole #E360211	B	Suspended 30 days February 12 through March 13, 2021 (inclusive) and fined. Suspension runs concurrently with suspension imposed in ruling #21-0006	\$ 500	APPEALED



## 2021 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
21-0012	1/20/2021	11/30/2019	Joe Sharp	Levamisole #E357065	B	Suspended 30 days February 12 through March 13, 2021 (inclusive) and fined. Suspension runs concurrently with suspension imposed in ruling #21-0006	\$ 500	APPEALED
21-0013	1/23/2021	1/15/2021	Gerardo Corrales	Careless riding		Suspended 3 days January 30, February 4 and February 5, 2021		Suspension served
21-0014	1/23/2021	1/16/2021	Gerardo Corrales	Careless riding		Suspended 3 days February 6, 11 and 12, 2021		Suspension served
21-0015	1/30/2021	9/4/2021	Robert A. Baffert	Bethamethasone #E377808	C	Fined	\$ 1,500	Not Paid
21-0016	1/30/2021	9/4/2021	Michael L. Petersen (owner)	Bethamethasone #E377808	C	Gamine disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed

**2021 TB RULINGS LIST BY CATEGORY ( Through February 5, 2021 )**

**MEDICATION VIOLATIONS**

<u>Medication Class</u>	<u>Total</u>	<u>Fines</u>	<u>Suspensions</u>	<u>Disqualifications</u>	<u>Appeals</u>	<u>Explanations</u>
Class A	0	0	0	0	0	
Class B	5	5	5	2	5	Levamisole (other 3 horses DQ'd in 2020)
Class C	2	2	0	2	0	Betamethasone
Class D	0	0	0	0	0	
NSAIDS	0	0	0	0	0	
Multiple NSAIDS	0	0	0	0	0	
TCO2	<u>0</u>	0	0	0	0	
Subtotal	7	\$4,500				

**NON-MEDICATION VIOLATIONS**

**Jockey Violations**

Careless Riding	3	0	3	0	0	Routine riding offense
Overly Aggressive Riding	0	0	0	0	0	
Other Disciplinary Violations	0	0	0	0	0	
Subtotal	<u>3</u>					

**Other Licensee Violations**

Misc. violations by licensees	0	0	0	0	0	
Disorderly conduct and formal ejections	0	0	0	0	0	
Suspended for non payment of fines	0	0	0	0	0	
Subtotal	<u>0</u>					

**Other Rulings Issued**      6      0      0      0      0      The remaining 6 rulings that have been issued in 2021 are for information only and include purse redistributions and penalty applied after withdrawal of appeal.

**TOTAL 2018 RULINGS**      16      \$4,500

**2020 TB RULINGS LIST BY CATEGORY****MEDICATION VIOLATIONS**

<u>Medication Class</u>	<u>Total</u>	<u>Fines</u>	<u>Suspensions</u>	<u>DQ's</u>	<u>Appeals</u>
Class A	1	1	1	1	0
Class B	4	4	4	4	0
Class C	10	9	0	9	0
Class D	2	2	0	0	0
NSAIDS	3	3	0	1	0
Multiple NSAIDS	0	0	0	0	0
TCO2	<u>0</u>	0	0	0	0
Subtotal	20	\$10,000			

**NON-MEDICATION VIOLATIONS****Jockey Violations**

Careless Riding	16	0	16	0	3
Overly Aggressive Riding	0	0	0	0	0
Other Violations	<u>4</u>	4	0	0	0
Subtotal	20	\$1,500			

**Other Licensee Violations**

Misc. violations	2	1	1	0	0
Disorderly conduct and formal ejections	12	2	10	0	0
Non-payment of fines or return of purse money	<u>0</u>	0	0	0	0
Subtotal	14	\$750			

**Other Rulings Issued** 39 \$3,500**TOTAL 2019 RULINGS** 93 \$15,750**2019 TB RULINGS LIST BY CATEGORY****MEDICATION VIOLATIONS**

<u>Medication Class</u>	<u>Total</u>	<u>Fines</u>	<u>Suspensions</u>	<u>DQ's</u>	<u>Appeals</u>
Class A	2	0	0	2	0
Class B	8	8	8	8	5
Class C	9	9	4	9	2
Class D	4	4	0	0	0
NSAIDS	4	3	0	0	0
Multiple NSAIDS	1	1	0	0	0
TCO2	<u>0</u>	0	0	0	0
Subtotal	28	\$21,000			

**NON-MEDICATION VIOLATIONS****Jockey Violations**

Careless Riding	20	0	20	0	2
Overly Aggressive Riding	1	0	1	0	1
Other Violations	<u>8</u>	7	1	0	0
Subtotal	29	\$2,000			

**Other Licensee Violations**

Misc. violations	7	7	0	0	0
Disorderly conduct and formal ejections	15	4	11	0	1
Non-payment of fines or return of purse money	3	0	3	0	2
Post-race Voided Claims	<u>11</u>				
Subtotal	36	\$7,850			

**Other Rulings Issued** 37**TOTAL 2019 RULINGS** 130 \$30,850

## 2020 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2020-001	3/14/2020	3/9/2020	Nick Surick	License revoked in PA, OH & DE			license revoked			
J2020-002	5/12/2020	7/2/2019	Harley Emerson	Medication /Drug Violation - Flunixin	C		suspended		5/11/20 - 5/20/2020	J2019-014 & J2019-018 fines paid and purse monies
J2020-003	6/4/2020	8/28/2019	John McDermott	Medication /Drug Violation - Cannabidiol	B	\$500	suspended	paid	6/17/20 - 6/26/20	
J2020-004	8/14/2020	8/1/2020	Jordan Derue	Ineligible for entry						Disqualified, purse return ordered
J2020-005	8/15/2020	8/9/2020	Randy D Cristler	Misuse of whip		\$100		paid		first offense
J2020-006	8/15/2020	8/11/2015	Edgar O Herrera	Misuse of whip		\$200		paid		second offense
J2020-007	8/23/2020	8/18/2020	Christopher C Moore	Failure to obey starter's instructions		\$50		paid		
J2020-008	8/25/2020	8/24/2020	David S Miller	Misuse of whip		\$300		paid		First 2020 KHRC Violation
J2020-009	8/29/2020	8/25/2020	Joseph R Bongiorno	Misuse of whip		\$300		paid		First 2020 KHRC Violation
J2020-010	9/1/2020	8/30/2020	Trevor Gene Smith	Misuse of whip		\$100		paid		First 2020 KHRC Violation
J2020-011	9/6/2020	9/1/2020	Mark J MacDonald	Misuse of whip		\$300		paid		First 2020 KHRC Violation
J2020-012	9/6/2020	9/1/2020	Randal L Jerrell	Crossing over before start		\$50		paid		
J2020-013	9/6/2020	9/1/2020	Edgar O Herrera	Failure to stay in position before start		\$50		paid		
J2020-014	9/11/2020	9/8/2020	James Edward Stiltner II	Misuse of whip		\$100		paid		First 2020 KHRC Violation
J2020-015	9/14/2020	9/8/2020	Brian J Sears	Failure to drive as programmed		\$150		paid		
J2020-016	9/14/2020	9/8/2020	Andrew John McCarthy	Failure to drive as programmed		\$400		paid		
J2020-017	9/15/2020	9/8/2020	Marcus M Melander	Failure to honor declaration		\$500		paid		
J2020-018	10/10/2020	9/8/2020	Aaron Merriman	Failure to drive as programmed		\$100		not paid		
J2020-019	10/8/2020	9/22/2020	Tyler Shehan	Misuse of whip		\$200		not paid		First 2020 KHRC Violation
J2020-020	10/10/2020	10/3/2020	David S Miller	Misuse of whip		\$300		paid		
J2020-021	10/8/2020	10/4/2020	Andy R Miller	Misuse of whip		\$300		paid		
J2020-022	10/8/2020	10/2/2020	Yannick Gingras	Misuse of whip		\$500		not paid		
J2020-023	10/10/2020	10/9/2020	Dewayne Minor	Misuse of whip		\$100		not paid		
J2020-024	10/10/2020	10/9/2020	Roman Lopez	Misuse of whip		\$100		paid		
J2020-025	10/11/2020	10/10/2020	David S Miller	Misuse of whip		\$300		paid		
J2020-026	10/19/2020	10/14/2020	John D Perrin	Misuse of whip		\$100		paid		
J2020-027	10/20/2020	8/23/2020	Linda Toscano	Medication / Drug Violation - Methocarbamol	C	\$500		not paid		Disqualified to last place, purse return ordered
J2020-028	11/1/2020	10/22/2020	Gary R Campbell	Medication / Drug Violation - Hydrocortizone	C					Disqualified to last place, purse return ordered
J2020-029	11/11/2020	11/3/2020	Tyler Shehan	Misuse of whip		\$500		not paid		Placed on probation for the remainder of the 2020 KY harness racing season
J2020-030	11/22/2020	11/11/2020	Charles M Conrad	Misuse of whip		\$100		paid		
J2020-031	11/22/2020	11/11/2020	James Edward Stiltner II	Misuse of whip		\$100		paid		
J2020-032	11/29/2020	10/14/2020	Jamiaca M Patton	Medication /Drug Violation - Flunixin	C	\$500		not paid		Disqualified to last place, purse return ordered
J2020-033	11/29/2021	11/2/2021	Jamaica M Patton	Medication /Drug Violation - Flunixin	C					Disqualified to last place, purse return ordered

## 2020 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2020-034	11/29/2021	11/4/2021	Jamaica M Patton	Medication /Drug Violation - Flunixin	C					Disqualified to last place, purse return ordered

## 2021 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2021-001	1/22/2021	10/11/2020	Ervin M. Miller	Medication /Drug Violation - Naproxen	C	\$500		not paid		Disqualified to last place, purse return ordered
J2021-002	1/22/2021	11/23/2020	Hollis A. Kendrick	Medication /Drug Violation - Dexamethasone	C	\$500		not paid		Disqualified to last place, purse return ordered

# KHRC Veterinary Report

## Churchill Downs Fall Meet 2020

<b>Total Starts</b>	1893
-----	
Post Race Samples	535
tCO <sub>2</sub>	236
-----	
<b>Veterinary Scratches</b>	16
-----	
Pre-Race	13
On-Track	3
Soundness related	2
Gate/paddock Injury	1
-----	
<b>KHRC Veterinary List</b>	33
-----	
Scratches	16
Race Injuries/post race lame/test barn lame	15
EIPH	2
-----	
<b>Claimed horses</b>	166
-----	
<b>Voided Claims</b>	10
-----	
<b>Ambulance Runs</b>	10
-----	
<b>Racing Fatalities</b>	4
-----	
Musculo-skeletal	4
-----	
<b>Training Fatalities</b>	7
-----	
Musculo-skeletal	7

# KHRC Veterinary Report

## Turfway Park Holiday Meet 2020

<b>Total Starts</b>	1093
<hr style="border-top: 1px dashed black;"/>	
Post Race Samples	185
tCO <sub>2</sub>	84
<hr style="border-top: 1px dashed black;"/>	
<b>Veterinary Scratches</b>	19
<hr style="border-top: 1px dashed black;"/>	
Pre-Race	14
On-Track	5
Soundness related	3
Gate/paddock Injury	2
<hr style="border-top: 1px dashed black;"/>	
<b>KHRC Veterinary List</b>	25
<hr style="border-top: 1px dashed black;"/>	
Scratches	19
Race Injuries/post race lame/test barn lame	4
EIPH	2
<hr style="border-top: 1px dashed black;"/>	
<b>Claimed horses</b>	58
<hr style="border-top: 1px dashed black;"/>	
<b>Voided Claims</b>	2
<hr style="border-top: 1px dashed black;"/>	
<b>Ambulance Runs</b>	3
<hr style="border-top: 1px dashed black;"/>	
<b>Racing Fatalities</b>	1
Musculo-skeletal	1
<hr style="border-top: 1px dashed black;"/>	
<b>Training Fatalities</b>	1
Musculo-skeletal	0
Sudden Death	1



## TESTING SUMMARY-2020

BREED	Number of Race Starts	Total Number of Horses Sampled/Tested Post-Race	Post-Race Testing		Pre-Race TCO <sub>2</sub> Testing (blood)	Out-of-Competition Testing (blood)	Post-work Testing (blood)	Post-injury Testing (blood)
			Blood only samples	Paired (blood & urine) Samples				
TB	13,872	Sampled: 3,351 +Claimed: 362 Total: 3,713  1 per 3.7 starts  Tested: 3,188  1 per 4.6 starts	Collected: 47 +Claimed: 362 Total: 409  Tested: 41 +Claimed: 362 Total: 403  Retained: 6	Collected: 3,304  Tested: 2,785  Retained: 519 99% paired-sample collection rate	2,326	320	184	53
STD	4,317	Sampled: 680 1 per 6.35 starts  Tested: 680  1 per 6.35 starts	Collected: 130 (67 Fair samples) Tested: 130  Retained: 0	Collected: 550 Tested: 550  Retained: 0 88.5% paired-sample collection rate	450	1	0	0
<b>TOTAL</b>	<b>18,189</b>	<b>Sampled: 4,393</b>  1 per 4.1 starts  <b>Tested: 3,868</b> 1 per 4.7 starts	<b>Collected: 539</b>  <b>Tested: 533</b>  <b>Retained: 6</b>	<b>Collected: 3,854</b>  <b>Tested: 3,335</b>  <b>Retained: 519</b>	<b>2,776</b>	<b>321</b>	<b>184</b>	<b>53</b>

## 2020 DRUG TESTING RESULTS

### STANDARD BRED

Substance	Penalty	Frequency
(none)	A	0
(none)	B	0
Hydrocortisone succinate	C	1
Methocarbamol	C	1
Medroxyprogesterone	C	1
Naproxen	C	1
Dexamethasone	C	1
Flunixin	NSAID	5

STD total ROF	10
Total Race Starts	4,317
1 Violation per:	432 starts

## THOROUGHBRED

Substance	Penalty	Frequency
(none)	A	0
Ethamsylate	B	1
Gabapentin	B	1
Clenbuterol	B	1
Methocarbamol	C	2
Betamethasone	C	3
Dexamethasone	C	2
Ranitidine	D	1
Omeprazole	D	1
Ketoprofen	NSAID	1
Phenylbutazone	NSAID	5

TB Total ROF	18
Total Race Starts	13,872
1 Violation per:	771 starts

## Occurrence of Thoroughbred race-related fatalities in Kentucky 2007 to present

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
2007	Musculoskeletal	2	1	5	2	4	3	4	2	2	3	4	5	37	23,180	1.60
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.04
	<b>TOTAL</b>	2	1	5	2	4	3	4	2	2	4	4	5	38		<b>1.64</b>
2008	Musculoskeletal	3	0	4	2	3	2	2	2	3	2	4	8	35	22,278	1.57
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	3	0	4	2	3	2	2	2	3	2	4	8	35		<b>1.57</b>
2009	Musculoskeletal	3	5	1	2	4	1	2	4	3	3	2	3	33	20,142	1.64
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	3	5	1	2	4	1	2	4	3	3	2	3	33		<b>1.64</b>
2010	Musculoskeletal	2	1	2	0	0	2	4	2	1	3	7	1	25	18,167	1.38
	Non-musculoskeletal	0	0	1	1	0	0	0	0	0	0	0	0	2		0.11
	<b>TOTAL</b>	2	1	3	1	0	2	4	2	1	3	7	1	27		<b>1.49</b>
2011	Musculoskeletal	2	2	1	1	2	5	1	3	2	5	3	1	28	18,258	1.53
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.05
	<b>TOTAL</b>	2	2	1	1	2	5	1	3	3	5	3	1	29		<b>1.59</b>
2012	Musculoskeletal	0	0	1	2	9	2	0	2	0	3	5	3	27	17,513	1.54
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.06
	<b>TOTAL</b>	0	0	1	2	9	2	0	2	0	4	5	3	28		<b>1.60</b>

Year	Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
	Non-musculoskeletal: EIPH, Sudden Death, Racing Accident															
2013	Musculoskeletal	2	2	0	0	1	2	2	5	3	1	1	3	22	16,242	1.35
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.06
	<b>TOTAL</b>	2	2	0	0	1	2	1	5	4	1	1	3	23		<b>1.42</b>
2014	Musculoskeletal	2	2	0	0	3	0	1	1	1	3	3	0	16	14,460	1.11
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	2	2	0	0	3	0	1	1	1	3	3	0	16		<b>1.11</b>
2015	Musculoskeletal	3	1	1	0	3	2	1	1	3	3	2	1	21	15,514	1.35
	Non-musculoskeletal	0	0	0	0	0	1	0	1	0	0	0	0	2		0.13
	<b>TOTAL</b>	3	1	1	0	3	3	1	2	3	3	3	1	23		<b>1.48</b>
2016	Musculoskeletal	0	2	0	4	4	3	1	0	1	2	5	1	23	16,495	1.39
	Non-musculoskeletal	0	0	0	0	0	2	1	0	0	0	0	0	3		0.18
	<b>TOTAL</b>	0	2	0	4	4	5	2	0	1	2	5	1	26		<b>1.58</b>
2017	Musculoskeletal	1	2	1	2	1	3	0	1	2	3	2	0	18	15,032	1.20
	Non-musculoskeletal	0	0	0	0	0	2	0	0	0	0	0	0	2		0.13
	<b>TOTAL</b>	1	2	1	2	1	5	0	1	2	3	2	0	20		<b>1.33</b>
2018	Musculoskeletal	2	1	0	4	3	1	6	0	7	1	3	4	32	15,049	2.13
	Non-musculoskeletal	0	0	1	0	1	0	0	1	0	0	1	0	4		0.27
	<b>TOTAL</b>	2	1	1	4	4	1	6	1	7	1	4	4	36		<b>2.39</b>
2019	Musculoskeletal	0	1	1	4	1	0	0	1	1	5	2	3	19	15,456	1.23
	Non-musculoskeletal	0	0	0	0	0	2	0	1	0	0	0	0	3		0.19
	<b>TOTAL</b>	0	1	1	4	1	2	0	2	1	5	2	3	22		<b>1.42</b>

Year	Category	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
	Non-musculoskeletal: EIPH, Sudden Death, Racing Accident															
2020	Musculoskeletal	1	0	1	0	1	0	0	3	4	1	4	1	16	13,872	1.15
	Non-musculoskeletal	0	0	3	0	0	0	0	0	0	0	0	0	3		0.22
	<b>TOTAL</b>	1	0	4	0	1	0	0	3	4	1	4	1	19		<b>1.37</b>

**Kentucky Pari-Mutuel Excise Tax and BIF by Source, FYTD 2021**  
December-2020

Racetrack/ADW	Thoroughbred Development Fund		Standardbred Development Fund		QH/Other Development Fund		Equine Industry Program		Equine Drug Program		Higher Education Program		Backside Improvement *		ADW Host Track Allocation		ADW Purse Allocation		Kentucky General Fund		Total Excise Tax FYTD	
	% of Fund		% of Fund		% of Fund		% of Fund		% of Fund		% of Fund		% of Fund		% of Fund		% of Fund		% of Fund		% of Fund	
	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total	FYTD	Total
<b>Live</b>	\$ 61,922	0.5%	\$ 10,233	0.3%			\$ 18,151	2.7%	\$ 9,075	2.5%	\$ 9,075	2.5%	\$ 41,283	100.0%			\$ 29,716	0.3%	\$ 179,454	0.6%		
Churchill Downs	\$ 27,195	0.2%					\$ 7,252	1.1%	\$ 3,626	1.0%	\$ 3,626	1.0%	\$ 18,131	43.9%			\$ 12,692	0.1%	\$ 72,522	0.2%		
Ellis Park	\$ 7,507	0.1%					\$ 2,001	0.3%	\$ 1,001	0.3%	\$ 1,001	0.3%	\$ 5,005	12.1%			\$ 3,503	0.0%	\$ 20,020	0.1%		
Keeneland	\$ 23,641	0.2%					\$ 6,305	0.9%	\$ 3,152	0.9%	\$ 3,152	0.9%	\$ 15,761	38.2%			\$ 11,033	0.1%	\$ 63,044	0.2%		
Kentucky Downs	\$ 2,492	0.0%					\$ 665	0.1%	\$ 332	0.1%	\$ 332	0.1%	\$ 1,662	4.0%			\$ 1,163	0.0%	\$ 6,646	0.0%		
Oak Grove			\$ 782	0.0%			\$ 125	0.0%	\$ 62	0.0%	\$ 62	0.0%					\$ 62	0.0%	\$ 1,093	0.0%		
The Red Mile			\$ 9,451	0.3%			\$ 1,513	0.2%	\$ 756	0.2%	\$ 756	0.2%					\$ 756	0.0%	\$ 13,232	0.0%		
Turfway Park	\$ 1,086	0.0%					\$ 290	0.0%	\$ 145	0.0%	\$ 145	0.0%	\$ 724	1.8%			\$ 507	0.0%	\$ 2,897	0.0%		
<b>Simulcast</b>	\$ 568,308	4.8%	\$ 21,525	0.7%	\$ 5,377	100%	\$ 14,850	2.2%	\$ 29,706	8.3%	\$ 29,706	8.3%					\$ 222,780	1.9%	\$ 892,251	3.0%		
Churchill Downs	\$ 19,265	0.2%	\$ 236	0.0%	\$ 32	0.6%	\$ 488	0.1%	\$ 977	0.3%	\$ 977	0.3%					\$ 7,325	0.1%	\$ 29,300	0.1%		
Ellis Park	\$ 104,564	0.9%	\$ 12,139	0.4%	\$ 325	6.0%	\$ 2,925	0.4%	\$ 5,852	1.6%	\$ 5,852	1.6%					\$ 43,886	0.4%	\$ 175,543	0.6%		
Keeneland	\$ 323,051	2.8%			\$ 1,951	36.3%	\$ 8,097	1.2%	\$ 16,194	4.5%	\$ 16,194	4.5%					\$ 121,451	1.0%	\$ 486,937	1.7%		
Kentucky Downs	\$ 96,465	0.8%	\$ 9,135	0.3%	\$ 2,668	49.6%	\$ 2,705	0.4%	\$ 5,415	1.5%	\$ 5,415	1.5%					\$ 40,601	0.3%	\$ 162,403	0.6%		
Oak Grove	\$ -	0.0%	\$ -																			
The Red Mile																						
Turfway Park	\$ 24,963	0.2%	\$ 15	0.0%	\$ 402	7.5%	\$ 634	0.1%	\$ 1,269	0.4%	\$ 1,269	0.4%					\$ 9,517	0.1%	\$ 38,069	0.1%		
<b>ADW</b>															\$ 466,369	100.0%	\$ 466,369	100.0%	\$ 164,603	1.4%	\$ 1,097,341	3.8%
Amwest															\$ 1,621	0.3%	\$ 1,621	0.3%	\$ 572	0.0%	\$ 3,814	0.0%
eBet															\$ 1,122	0.2%	\$ 1,122	0.2%	\$ 396	0.0%	\$ 2,641	0.0%
Lien Games															\$ 314	0.1%	\$ 314	0.1%	\$ 110	0.0%	\$ 738	0.0%
NYRA															\$ 13,084	2.8%	\$ 13,084	2.8%	\$ 4,619	0.0%	\$ 30,788	0.1%
TVG															\$ 154,457	33.1%	\$ 154,457	33.1%	\$ 54,514	0.5%	\$ 363,428	1.2%
TwinSpires															\$ 246,238	52.8%	\$ 246,238	52.8%	\$ 86,908	0.7%	\$ 579,384	2.0%
Watch and Wager															\$ 378	0.1%	\$ 378	0.1%	\$ 133	0.0%	\$ 888	0.0%
XpressBet															\$ 49,155	10.5%	\$ 49,155	10.5%	\$ 17,350	0.1%	\$ 115,660	0.4%
<b>HHR</b>	\$ 11,116,364	94.6%	\$ 3,237,331	99.0%			\$ 650,000	95.2%	\$ 320,000	89.2%	\$ 320,000	89.2%							\$ 11,445,030	96.5%	\$ 27,088,725	92.6%
Derby City Gaming	\$ 4,468,357	38.0%					\$ 250,499	36.7%	\$ 123,323	34.4%	\$ 123,323	34.4%							\$ 3,971,213	33.5%	\$ 8,936,716	30.5%
Ellis Park	\$ 782,546	6.7%					\$ 46,370	6.8%	\$ 22,828	6.4%	\$ 22,828	6.4%							\$ 690,518	5.8%	\$ 1,565,091	5.3%
Keeneland/Red Mile	\$ 971,506	8.3%	\$ 1,295,341	39.6%			\$ 106,214	15.6%	\$ 52,290	14.6%	\$ 52,290	14.6%							\$ 1,408,382	11.9%	\$ 3,886,023	13.3%
Kentucky Downs	\$ 4,586,288	39.0%					\$ 246,917	36.2%	\$ 121,559	33.9%	\$ 121,559	33.9%							\$ 4,096,253	34.5%	\$ 9,172,576	31.4%
Newport Racing	\$ 307,668	2.6%					\$ -	0.0%	\$ -	0.0%	\$ -	0.0%							\$ 307,668	2.6%	\$ 615,336	2.1%
Oak Grove	\$ -	0.0%	\$ 1,941,990	59.4%			\$ -	0.0%	\$ -	0.0%	\$ -	0.0%							\$ 970,995	8.2%	\$ 2,912,984	10.0%
<b>Grand Total</b>	\$ 11,746,594	100.0%	\$ 3,269,088	100.0%	\$ 5,377	100%	\$ 683,001	100.0%	\$ 358,781	100.0%	\$ 358,780	100.0%	\$ 41,283	100.0%	\$ 466,369	100.0%	\$ 466,369	100.0%	\$ 11,862,129	100.0%	\$ 29,257,771	100.0%

\* The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.



## Kentucky Live and Simulcast Wagering Report December 2020

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	13	17	-23.5%	148	152	-2.6%
<b>On Track Handle</b>	\$ 144,858	\$ 1,231,877	-88.2%	\$ 9,075,048	\$ 35,987,301	-74.8%
<b>Less: Return to the Public</b>	\$ 115,901	\$ 984,546	-88.2%	\$ 7,266,379	\$ 28,933,336	-74.9%
<b>Less: Breakage</b>	\$ 776	\$ 6,364	-87.8%	\$ 52,989	\$ 224,935	-76.4%
<b>Gross Commission</b>	<u>\$ 28,181</u>	<u>\$ 240,967</u>	<u>-88.3%</u>	<u>\$ 1,755,680</u>	<u>\$ 6,829,031</u>	<u>-74.3%</u>
TB Development Fund	\$ 1,086	\$ 9,239	-88.2%	\$ 61,923	\$ 260,281	-76.2%
SB Development Fund	\$ -	\$ -		\$ 10,233	\$ 16,039	-36.2%
Equine Industry Program	\$ 290	\$ 2,464	-88.2%	\$ 18,150	\$ 71,975	-74.8%
Equine Drug Research	\$ 145	\$ 1,232	-88.2%	\$ 9,075	\$ 35,987	-74.8%
Higher Education Fund	\$ 145	\$ 1,232	-88.2%	\$ 9,075	\$ 35,987	-74.8%
Ky General Fund	\$ 507	\$ 4,312	-88.2%	\$ 29,716	\$ 122,748	-75.8%
<b>Total Kentucky Excise Tax (1.5%) (Note 1)</b>	<u>\$ 2,173</u>	<u>\$ 18,478</u>	<u>-88.2%</u>	<u>\$ 138,172</u>	<u>\$ 543,017</u>	<u>-74.6%</u>
Backside Improvement Fund (Note 1)	\$ 724	\$ 6,159	-88.2%	\$ 41,282	\$ 173,521	-76.2%
<b>Net Commission</b>	\$ 25,284	\$ 216,329	-88.3%	\$ 1,576,226	\$ 6,112,492	-74.2%
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ 342,654	\$ 622,730	-45.0%	\$ 5,082,618	\$ 6,592,706	-22.9%
Kentucky ADW's	\$ 2,482,437	\$ 2,006,108	23.7%	\$ 63,808,245	\$ 29,166,284	118.8%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ 29,304,086	\$ 26,343,471	11.2%	\$ 641,035,735	\$ 386,362,502	65.9%
<b>All Sources Handle</b>	<u>\$ 32,274,035</u>	<u>\$ 30,204,186</u>	<u>6.9%</u>	<u>\$ 719,001,645</u>	<u>\$ 458,108,793</u>	<u>56.9%</u>
<b>Average Daily Handle - On Track</b>	\$ 11,143	\$ 72,463	-84.6%	\$ 61,318	\$ 236,759	-74.1%
<b>Average Daily Handle - All Sources</b>	\$ 2,482,618	\$ 1,776,717	39.7%	\$ 4,858,119	\$ 3,013,874	61.2%

Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 3,725,433	\$ 6,562,911	-43.2%	\$ 28,741,477	\$ 52,698,485	-45.5%
Standardbred	\$ 1,648,070	\$ 1,496,140	10.2%	\$ 11,577,334	\$ 11,612,386	-0.3%
Qtr/Arabian	\$ 43,864	\$ 29,424	49.1%	\$ 290,780	\$ 300,337	-3.2%
<b>Total Handle</b>	<u>\$ 5,417,367</u>	<u>\$ 8,088,475</u>	<u>-33.0%</u>	<u>\$ 40,609,590</u>	<u>\$ 64,611,208</u>	<u>-37.1%</u>
TB Development Fund	\$ 73,026	\$ 131,258	-44.4%	\$ 568,310	\$ 1,041,178	-45.4%
SB Development Fund	\$ 2,115	\$ 3,796	-44.3%	\$ 21,525	\$ 23,796	-9.5%
QH Development Fund	\$ 523	\$ 577	-9.4%	\$ 4,244	\$ 5,087	-16.6%
Equine Industry Program*	\$ 1,892	\$ 3,391	-44.2%	\$ 14,852	\$ 26,752	-44.5%
Equine Drug Research	\$ 3,783	\$ 6,782	-44.2%	\$ 29,704	\$ 53,503	-44.5%
Higher Education Fund	\$ 3,783	\$ 6,782	-44.2%	\$ 29,704	\$ 53,503	-44.5%
Ky General Fund	\$ 28,374	\$ 50,862	-44.2%	\$ 222,780	\$ 401,273	-44.5%
<b>Total Kentucky Excise Tax</b>	<u>\$ 113,496</u>	<u>\$ 203,447</u>	<u>-44.2%</u>	<u>\$ 891,118</u>	<u>\$ 1,605,092</u>	<u>-44.5%</u>

Note 1: The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.

\* Rate is .05% for Simulcast only



## Monthly Track Report - Bluegrass Downs

December, 2020

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	0		0	6	-100.0%
<b>On Track Handle</b>	\$ -	\$ -		\$ -	\$ 5,930	-100.0%
<b>Less: Return to the Public</b>	\$ -	\$ -		\$ -	\$ 4,659	-100.0%
<b>Less: Breakage</b>	\$ -	\$ -		\$ -	\$ 43	-100.0%
<b>Gross Commission</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ 1,228</u>	-100.0%
SB Development Fund	\$ -	\$ -		\$ -	\$ 74	-100.0%
Equine Industry Program	\$ -	\$ -		\$ -	\$ 12	-100.0%
Equine Drug Research	\$ -	\$ -		\$ -	\$ 6	-100.0%
Higher Education Fund	\$ -	\$ -		\$ -	\$ 6	-100.0%
Ky General Fund	\$ -	\$ -		\$ -	\$ 6	-100.0%
<b>Total Kentucky Excise Tax (1.75%)</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ 104</u>	-100.0%
<b>Net Commission</b>	\$ -	\$ -		\$ -	\$ 1,124	-100.0%
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ -		\$ -	\$ -	
Kentucky ADW's	\$ -	\$ -		\$ -	\$ -	
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ -		\$ -	\$ -	
<b>All Sources Handle</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ 5,930</u>	-100.0%
<b>Average Daily Handle - On Track</b>					\$ 988	-100.0%
<b>Average Daily Handle - All Sources</b>					\$ 988	-100.0%
Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ -	\$ -		\$ -	\$ 639,580	-100.0%
Standardbred	\$ -	\$ -		\$ -	\$ 24,049	-100.0%
Qtr/Arabian	\$ -	\$ -		\$ -	\$ 1,243	-100.0%
<b>Total Handle</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ 664,872</u>	-100.0%
TB Development Fund						
SB Development Fund						
QH Development Fund						ONLY TAXED ON LIVE RACING (per KRS 138.510)
Equine Industry Program						
Equine Drug Research						
Higher Education Fund						
Ky General Fund						
<b>Total Kentucky Excise Tax</b>	<u>_____</u>	<u>_____</u>		<u>_____</u>	<u>_____</u>	

## Monthly Track Report - Churchill Downs

December 2020

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	1	-100.0%	38	36	5.6%
<b>On Track Handle</b>	\$ -	\$ 244,748	-100.0%	\$ 3,626,053	\$ 10,816,547	-66.5%
<b>Less: Return to the Public</b>	\$ -	\$ 194,938	-100.0%	\$ 2,897,629	\$ 8,629,523	-66.4%
<b>Less: Breakage</b>	\$ -	\$ 1,483	-100.0%	\$ 24,202	\$ 69,730	-65.3%
<b>Gross Commission</b>	<u>\$ -</u>	<u>\$ 48,326</u>	<u>-100.0%</u>	<u>\$ 704,222</u>	<u>\$ 2,117,294</u>	<u>-66.7%</u>
TB Development Fund	\$ -	\$ 1,836	-100.0%	\$ 27,195	\$ 81,124	-66.5%
Equine Industry Program	\$ -	\$ 489	-100.0%	\$ 7,252	\$ 21,633	-66.5%
Equine Drug Research	\$ -	\$ 245	-100.0%	\$ 3,626	\$ 10,817	-66.5%
Higher Education Fund	\$ -	\$ 245	-100.0%	\$ 3,626	\$ 10,817	-66.5%
Ky General Fund	\$ -	\$ 857	-100.0%	\$ 12,691	\$ 37,858	-66.5%
<b>Total Kentucky Excise Tax (1.5%) (Note 1)</b>	<u>\$ -</u>	<u>\$ 3,671</u>	<u>-100.0%</u>	<u>\$ 54,391</u>	<u>\$ 162,248</u>	<u>-66.5%</u>
Backside Improvement Fund (Note 1)	\$ -	\$ 1,224	-100.0%	\$ 18,130	\$ 54,083	-66.5%
<b>Net Commission</b>	\$ -	\$ 43,431	-100.0%	\$ 631,701	\$ 1,900,963	-66.8%
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ 74,529	-100.0%	\$ 2,703,204	\$ 2,633,990	2.6%
Kentucky ADW's	\$ -	\$ 463,401	-100.0%	\$ 35,550,786	\$ 12,854,448	176.6%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ 5,414,033	-100.0%	\$ 303,112,241	\$ 152,611,763	98.6%
<b>All Sources Handle</b>	<u>\$ -</u>	<u>\$ 6,196,711</u>	<u>-100.0%</u>	<u>\$ 344,992,284</u>	<u>\$ 178,916,748</u>	<u>92.8%</u>
<b>Average Daily Handle - On Track</b>		\$ 244,748	-100.0%	\$ 95,422	\$ 300,460	-68.2%
<b>Average Daily Handle - All Sources</b>		\$ 6,196,711	-100.0%	\$ 9,078,744	\$ 4,969,910	82.7%

Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 963,271	\$ 1,664,745	-42.1%	\$ 963,271	\$ 14,820,611	-93.5%
Standardbred	\$ 11,799	\$ 12,793	-7.8%	\$ 11,799	\$ 61,370	-80.8%
Qtr/Arabian	\$ 1,598	\$ 5,782	-72.4%	\$ 1,598	\$ 76,709	-97.9%
<b>Total Handle</b>	<u>\$ 976,669</u>	<u>\$ 1,683,321</u>	<u>-42.0%</u>	<u>\$ 976,669</u>	<u>\$ 14,958,690</u>	<u>-93.5%</u>
TB Development Fund	\$ 19,265	\$ 33,295	-42.1%	\$ 19,265	\$ 296,412	-93.5%
SB Development Fund	\$ 236	\$ 256	-7.8%	\$ 236	\$ 1,227	-80.8%
QH Development Fund	\$ 32	\$ 116	-72.4%	\$ 32	\$ 1,534	-97.9%
Equine Industry Program*	\$ 488	\$ 842	-42.0%	\$ 488	\$ 7,479	-93.5%
Equine Drug Research	\$ 977	\$ 1,683	-42.0%	\$ 977	\$ 14,959	-93.5%
Higher Education Fund	\$ 977	\$ 1,683	-42.0%	\$ 977	\$ 14,959	-93.5%
Ky General Fund	\$ 7,325	\$ 12,625	-42.0%	\$ 7,325	\$ 112,190	-93.5%
<b>Total Kentucky Excise Tax (3%)</b>	<u>\$ 29,300</u>	<u>\$ 50,500</u>	<u>-42.0%</u>	<u>\$ 29,300</u>	<u>\$ 448,761</u>	<u>-93.5%</u>

Note 1: The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.

\* Rate is .05% for Simulcast only

**Monthly Track Report - Ellis Park  
December 2020**

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	0		25	26	<b>-3.8%</b>
<b>On Track Handle</b>	\$ -	\$ -		\$ 1,000,965	\$ 3,945,581	<b>-74.6%</b>
<b>Less: Return to the Public</b>	\$ -	\$ -		\$ 796,412	\$ 3,137,478	<b>-74.6%</b>
<b>Less: Breakage</b>	\$ -	\$ -		\$ 8,359	\$ 30,803	<b>-72.9%</b>
<b>Gross Commission</b>	\$ -	\$ -		\$ 196,195	\$ 777,300	<b>-74.8%</b>
TB Development Fund	\$ -	\$ -		\$ 7,507	\$ 29,592	<b>-74.6%</b>
Equine Industry Program	\$ -	\$ -		\$ 2,002	\$ 7,891	<b>-74.6%</b>
Equine Drug Research	\$ -	\$ -		\$ 1,001	\$ 3,946	<b>-74.6%</b>
Higher Education Fund	\$ -	\$ -		\$ 1,001	\$ 3,946	<b>-74.6%</b>
Ky General Fund	\$ -	\$ -		\$ 3,503	\$ 13,810	<b>-74.6%</b>
<b>Total Kentucky Excise Tax (1.5%) (Note 1)</b>	\$ -	\$ -		\$ 15,014	\$ 59,184	<b>-74.6%</b>
Backside Improvement Fund (Note 1)	\$ -	\$ -		\$ 5,005	\$ 19,728	<b>-74.6%</b>
<b>Net Commission</b>	\$ -	\$ -		\$ 176,175	\$ 698,389	<b>-74.8%</b>
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ -		\$ 532,769	\$ 1,357,160	<b>-60.7%</b>
Kentucky ADW's	\$ -	\$ -		\$ 4,074,802	\$ 2,641,942	54.2%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ -		\$ 42,409,100	\$ 37,917,649	11.8%
<b>All Sources Handle</b>	\$ -	\$ -		\$ 48,017,636	\$ 45,862,332	4.7%
<b>Average Daily Handle - On Track</b>				\$ 40,039	\$ 151,753	<b>-73.6%</b>
<b>Average Daily Handle - All Sources</b>				\$ 1,920,705	\$ 1,763,936	8.9%
Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 585,372	\$ 943,380	<b>-37.9%</b>	\$ 5,228,250	\$ 6,888,406	<b>-24.1%</b>
Standardbred	\$ 47,879	\$ 96,479	<b>-50.4%</b>	\$ 606,927	\$ 576,712	5.2%
Qtr/Arabian	\$ 674	\$ -		\$ 16,280	\$ 141	11479.0%
<b>Total Handle</b>	\$ 633,924	\$ 1,039,859	<b>-39.0%</b>	\$ 5,851,457	\$ 7,465,258	<b>-21.6%</b>
TB Development Fund	\$ 11,707	\$ 18,868	<b>-37.9%</b>	\$ 104,565	\$ 137,768	<b>-24.1%</b>
SB Development Fund	\$ 958	\$ 1,930	<b>-50.4%</b>	\$ 12,139	\$ 11,534	5.2%
QH Development Fund	\$ 13	\$ -		\$ 326	\$ 3	11479.0%
Equine Industry Program*	\$ 317	\$ 520	<b>-39.0%</b>	\$ 2,926	\$ 3,733	<b>-21.6%</b>
Equine Drug Research	\$ 634	\$ 1,040	<b>-39.0%</b>	\$ 5,851	\$ 7,465	<b>-21.6%</b>
Higher Education Fund	\$ 634	\$ 1,040	<b>-39.0%</b>	\$ 5,851	\$ 7,465	<b>-21.6%</b>
Ky General Fund	\$ 4,754	\$ 7,799	<b>-39.0%</b>	\$ 43,886	\$ 55,989	<b>-21.6%</b>
<b>Total Kentucky Excise Tax (3%)</b>	\$ 19,018	\$ 31,196	<b>-39.0%</b>	\$ 175,544	\$ 223,958	<b>-21.6%</b>

Note 1: The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.

\* Rate is .05% for Simulcast only

**Monthly Track Report - Keeneland**  
**December 2020**

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	0		22	17	29.4%
<b>On Track Handle</b>	\$ -	\$ -		\$ 3,152,200	\$ 17,320,852	<b>-81.8%</b>
<b>Less: Return to the Public</b>	\$ -	\$ -		\$ 2,549,822	\$ 14,044,361	<b>-81.8%</b>
<b>Less: Breakage</b>	\$ -	\$ -		\$ 108,172	\$ 108,172	0.0%
<b>Gross Commission</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 494,206</u>	<u>\$ 3,168,320</u>	<b>-84.4%</b>
TB Development Fund	\$ -	\$ -		\$ 23,641	\$ 129,906	<b>-81.8%</b>
Equine Industry Program	\$ -	\$ -		\$ 6,304	\$ 34,642	<b>-81.8%</b>
Equine Drug Research	\$ -	\$ -		\$ 3,152	\$ 17,321	<b>-81.8%</b>
Higher Education Fund	\$ -	\$ -		\$ 3,152	\$ 17,321	<b>-81.8%</b>
Ky General Fund	\$ -	\$ -		\$ 11,033	\$ 60,623	<b>-81.8%</b>
<b>Total Kentucky Excise Tax (1.5%) (Note 1)</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 47,283</u>	<u>\$ 259,813</u>	<b>-81.8%</b>
Backside Improvement Fund (Note 1)	\$ -	\$ -		\$ 15,761	\$ 86,604	<b>-81.8%</b>
<b>Net Commission</b>	\$ -	\$ -		\$ 431,162	\$ 2,821,903	<b>-84.7%</b>
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ -		\$ 1,041,783	\$ 1,361,340	<b>-23.5%</b>
Kentucky ADW's	\$ -	\$ -		\$ 17,248,408	\$ 10,108,626	70.6%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ -		\$ 190,086,649	\$ 131,417,098	44.6%
<b>All Sources Handle</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 211,529,040</u>	<u>\$ 160,207,916</u>	32.0%
<b>Average Daily Handle - On Track</b>				\$ 143,282	\$ 1,018,874	<b>-85.9%</b>
<b>Average Daily Handle - All Sources</b>				\$ 9,614,956	\$ 9,423,995	2.0%

Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 1,339,712	\$ 2,132,734	<b>-37.2%</b>	\$ 16,152,592	\$ 17,496,959	<b>-7.7%</b>
Standardbred						
Qtr/Arabian	\$ 1,156	\$ 4,855	<b>-76.2%</b>	\$ 40,852	\$ 30,197	35.3%
<b>Total Handle</b>	<u>\$ 1,340,868</u>	<u>\$ 2,137,589</u>	<b>-37.3%</b>	<u>\$ 16,193,444</u>	<u>\$ 17,527,156</u>	<b>-7.6%</b>
TB Development Fund	\$ 26,794	\$ 42,655	<b>-37.2%</b>	\$ 323,052	\$ 349,939	<b>-7.7%</b>
SB Development Fund						
QH Development Fund	\$ 23	\$ 97	<b>-76.2%</b>	\$ 817	\$ 604	35.3%
Equine Industry Program*	\$ 670	\$ 1,069	<b>-37.3%</b>	\$ 8,097	\$ 8,764	<b>-7.6%</b>
Equine Drug Research	\$ 1,341	\$ 2,138	<b>-37.3%</b>	\$ 16,193	\$ 17,527	<b>-7.6%</b>
Higher Education Fund	\$ 1,341	\$ 2,138	<b>-37.3%</b>	\$ 16,193	\$ 17,527	<b>-7.6%</b>
Ky General Fund	\$ 10,057	\$ 16,032	<b>-37.3%</b>	\$ 121,451	\$ 131,454	<b>-7.6%</b>
<b>Total Kentucky Excise Tax (3%)</b>	<u>\$ 40,226</u>	<u>\$ 64,128</u>	<b>-37.3%</b>	<u>\$ 485,803</u>	<u>\$ 525,815</u>	<b>-7.6%</b>

Note 1: The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.

\* Rate is .05% for Simulcast only

## Monthly Track Report - Kentucky Downs

December 2020

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	0		6	5	20.0%
<b>On Track Handle</b>	\$ -	\$ -		\$ 332,301	\$ 1,634,072	-79.7%
<b>Less: Return to the Public</b>	\$ -	\$ -		\$ 273,475	\$ 1,342,661	-79.6%
<b>Less: Breakage</b>	\$ -	\$ -		\$ 1,706	\$ 9,723	-82.5%
<b>Gross Commission</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 57,120</u>	<u>\$ 281,688</u>	-79.7%
TB Development Fund	\$ -	\$ -		\$ 2,492	\$ 12,256	-79.7%
Equine Industry Program	\$ -	\$ -		\$ 665	\$ 3,268	-79.7%
Equine Drug Research	\$ -	\$ -		\$ 332	\$ 1,634	-79.7%
Higher Education Fund	\$ -	\$ -		\$ 332	\$ 1,634	-79.7%
Ky General Fund	\$ -	\$ -		\$ 1,163	\$ 5,719	-79.7%
<b>Total Kentucky Excise Tax (1.5%) (Note 1)</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 4,985</u>	<u>\$ 24,511</u>	-79.7%
Backside Improvement Fund (Note 1)	\$ -	\$ -		\$ 1,662	\$ 8,170	-79.7%
<b>Net Commission</b>	\$ -	\$ -		\$ 50,474	\$ 249,006	-79.7%
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ -		\$ 271,022	\$ 639,152	-57.6%
Kentucky ADW's	\$ -	\$ -		\$ 3,451,557	\$ 1,843,305	87.2%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ -		\$ 55,773,563	\$ 37,123,080	50.2%
<b>All Sources Handle</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 59,828,443</u>	<u>\$ 41,239,609</u>	45.1%
<b>Average Daily Handle - On Track</b>				\$ 55,384	\$ 326,814	-83.1%
<b>Average Daily Handle - All Sources</b>				\$ 9,971,407	\$ 8,247,922	20.9%
Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 470,063	\$ 726,636	-35.3%	\$ 4,823,239	\$ 5,480,568	-12.0%
Standardbred	\$ 46,059	\$ 67,822	-32.1%	\$ 456,763	\$ 362,977	25.8%
Qtr/Arabian	\$ 12,656	\$ 15,325	-17.4%	\$ 133,398	\$ 119,170	11.9%
<b>Total Handle</b>	<u>\$ 528,777</u>	<u>\$ 809,783</u>	-34.7%	<u>\$ 5,413,399</u>	<u>\$ 5,962,716</u>	-9.2%
TB Development Fund	\$ 9,401	\$ 14,533	-35.3%	\$ 96,465	\$ 109,611	-12.0%
SB Development Fund	\$ 921	\$ 1,356	-32.1%	\$ 9,135	\$ 7,260	25.8%
QH Development Fund	\$ 253	\$ 306	-17.4%	\$ 2,668	\$ 2,383	11.9%
Equine Industry Program*	\$ 264	\$ 405	-34.7%	\$ 2,707	\$ 2,981	-9.2%
Equine Drug Research	\$ 529	\$ 810	-34.7%	\$ 5,413	\$ 5,963	-9.2%
Higher Education Fund	\$ 529	\$ 810	-34.7%	\$ 5,413	\$ 5,963	-9.2%
Ky General Fund	\$ 3,966	\$ 6,073	-34.7%	\$ 40,600	\$ 44,720	-9.2%
<b>Total Kentucky Excise Tax (3%)</b>	<u>\$ 15,863</u>	<u>\$ 24,293</u>	-34.7%	<u>\$ 162,402</u>	<u>\$ 178,881</u>	-9.2%

Note 1: The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.

\* Rate is .05% for Simulcast only

## Monthly Track Report - Oak Grove

December 2020

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	0		14	11	27.3%
<b>On Track Handle</b>	\$ -	\$ -		\$ 62,569	\$ 42,408	47.5%
<b>Less: Return to the Public</b>	\$ -	\$ -		\$ 48,692	\$ 33,069	47.2%
<b>Less: Breakage</b>	\$ -	\$ -		\$ 479	\$ 369	29.8%
<b>Gross Commission</b>	\$ -	\$ -		\$ 13,398	\$ 8,970	49.4%
SB Development Fund	\$ -	\$ -		\$ 782	\$ 530	47.5%
Equine Industry Program	\$ -	\$ -		\$ 125	\$ 85	47.5%
Equine Drug Research	\$ -	\$ -		\$ 63	\$ 42	47.5%
Higher Education Fund	\$ -	\$ -		\$ 63	\$ 42	47.5%
Ky General Fund	\$ -	\$ -		\$ 63	\$ 42	47.5%
<b>Total Kentucky Excise Tax (1.75%)</b>	\$ -	\$ -		\$ 1,095	\$ 742	47.5%
<b>Net Commission</b>	\$ -	\$ -		\$ 12,303	\$ 8,228	49.5%
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ -		\$ 34,003	\$ 3,108	994.0%
Kentucky ADW's	\$ -	\$ -		\$ 33,396	\$ 6,596	406.3%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ -		\$ 1,084,726	\$ 20,383	5221.7%
<b>All Sources Handle</b>	\$ -	\$ -		\$ 1,214,694	\$ 72,495	1575.6%
<b>Average Daily Handle - On Track</b>				\$ 4,469	\$ 3,855	15.9%
<b>Average Daily Handle - All Sources</b>				\$ 86,764	\$ 6,590	1216.5%
Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 74,111	\$ -		\$ 325,979	\$ -	
Standardbred	\$ 15,339	\$ -		\$ 60,025	\$ -	
Qtr/Arabian	\$ 2,073	\$ -		\$ 8,821	\$ -	
<b>Total Handle</b>	\$ 91,523	\$ -		\$ 394,824	\$ -	
TB Development Fund						
SB Development Fund						
QH Development Fund						ONLY TAXED ON LIVE RACING (per KRS 138.510)
Equine Industry Program						
Equine Drug Research						
Higher Education Fund						
Ky General Fund						
<b>Total Kentucky Excise Tax</b>						

## Monthly Track Report - The Red Mile

December 2020

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	0	0		30	35	-14.3%
<b>On Track Handle</b>	\$ -	\$ -		\$ 756,104	\$ 1,234,783	-38.8%
<b>Less: Return to the Public</b>	\$ -	\$ -		\$ 584,448	\$ 951,977	-38.6%
<b>Less: Breakage</b>	\$ -	\$ -		\$ (2,879)	\$ 1,215	-337.0%
<b>Gross Commission</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 174,535</u>	<u>\$ 281,590</u>	-38.0%
SB Development Fund	\$ -	\$ -		\$ 9,451	\$ 15,435	-38.8%
Equine Industry Program	\$ -	\$ -		\$ 1,512	\$ 2,470	-38.8%
Equine Drug Research	\$ -	\$ -		\$ 756	\$ 1,235	-38.8%
Higher Education Fund	\$ -	\$ -		\$ 756	\$ 1,235	-38.8%
Ky General Fund	\$ -	\$ -		\$ 756	\$ 1,235	-38.8%
<b>Total Kentucky Excise Tax (1.75%)</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 13,232</u>	<u>\$ 21,609</u>	-38.8%
<b>Net Commission</b>	\$ -	\$ -		\$ 161,303	\$ 259,982	-38.0%
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ -	\$ -		\$ 37,080	\$ 49,755	-25.5%
Kentucky ADW's	\$ -	\$ -		\$ 211,311	\$ 168,660	25.3%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ -	\$ -		\$ 9,989,466	\$ 6,343,091	57.5%
<b>All Sources Handle</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 10,993,960</u>	<u>\$ 7,796,289</u>	41.0%
<b>Average Daily Handle - On Track</b>				\$ 25,203	\$ 35,280	-28.6%
<b>Average Daily Handle - All Sources</b>				\$ 366,465	\$ 222,751	64.5%
Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ -	\$ -		\$ -	\$ -	
Standardbred	\$ 1,526,995	\$ 1,306,329	16.9%	\$ 10,441,063	\$ 10,398,526	0.4%
Qtr/Arabian	\$ 15,661	\$ 578	2611%	\$ 69,761	\$ 44,738	55.9%
<b>Total Handle</b>	<u>\$ 1,542,657</u>	<u>\$ 1,306,906</u>	18.0%	<u>\$ 10,510,824</u>	<u>\$ 10,443,264</u>	0.6%
TB Development Fund						
SB Development Fund						
QH Development Fund						ONLY TAXED ON LIVE RACING (per KRS 138.510)
Equine Industry Program						
Equine Drug Research						
Higher Education Fund						
Ky General Fund						
<b>Total Kentucky Excise Tax</b>	<u>_____</u>	<u>_____</u>		<u>_____</u>	<u>_____</u>	

**Monthly Track Report - Turfway  
December 2020**

Live Racing						
	Dec-20	Dec-19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Race Dates</b>	13	16	<b>-18.8%</b>	13	16	<b>-18.8%</b>
<b>On Track Handle</b>	\$ 144,858	\$ 987,129	<b>-85.3%</b>	\$ 144,858	\$ 987,129	<b>-85.3%</b>
<b>Less: Return to the Public</b>	\$ 115,901	\$ 789,607	<b>-85.3%</b>	\$ 115,901	\$ 789,607	<b>-85.3%</b>
<b>Less: Breakage</b>	\$ 776	\$ 4,881	<b>-84.1%</b>	\$ 776	\$ 4,881	<b>-84.1%</b>
<b>Gross Commission</b>	\$ 28,181	\$ 192,641	<b>-85.4%</b>	\$ 28,181	\$ 192,641	<b>-85.4%</b>
TB Development Fund	\$ 1,086	\$ 7,403	<b>-85.3%</b>	\$ 1,086	\$ 7,403	<b>-85.3%</b>
Equine Industry Program	\$ 290	\$ 1,974	<b>-85.3%</b>	\$ 290	\$ 1,974	<b>-85.3%</b>
Equine Drug Research	\$ 145	\$ 987	<b>-85.3%</b>	\$ 145	\$ 987	<b>-85.3%</b>
Higher Education Fund	\$ 145	\$ 987	<b>-85.3%</b>	\$ 145	\$ 987	<b>-85.3%</b>
Ky General Fund	\$ 507	\$ 3,455	<b>-85.3%</b>	\$ 507	\$ 3,455	<b>-85.3%</b>
<b>Total Kentucky Excise Tax (1.5%) (Note 1)</b>	\$ 2,173	\$ 14,807	<b>-85.3%</b>	\$ 2,173	\$ 14,807	<b>-85.3%</b>
Backside Improvement Fund (Note 1)	\$ 724	\$ 4,936	<b>-85.3%</b>	\$ 724	\$ 4,936	<b>-85.3%</b>
<b>Net Commission</b>	\$ 25,284	\$ 172,898	<b>-85.4%</b>	\$ 25,284	\$ 172,898	<b>-85.4%</b>
<b>Off Track Handle From:</b>						
Other Kentucky Tracks	\$ 342,654	\$ 548,201	<b>-37.5%</b>	\$ 342,654	\$ 548,201	<b>-37.5%</b>
Kentucky ADW's	\$ 2,482,437	\$ 1,542,707	60.9%	\$ 2,482,437	\$ 1,542,707	60.9%
Other Sources (non-taxable) (Non-Ky Tracks, OTB's, Other ADW's)	\$ 29,304,086	\$ 20,929,438	40.0%	\$ 29,304,086	\$ 20,929,438	40.0%
<b>All Sources Handle</b>	\$ 32,274,035	\$ 24,007,475	34.4%	\$ 32,274,035	\$ 24,007,475	34.4%
<b>Average Daily Handle - On Track</b>	\$ 11,143	\$ 61,696	<b>-81.9%</b>	\$ 11,143	\$ 61,696	<b>-81.9%</b>
<b>Average Daily Handle - All Sources</b>	\$ 2,482,618	\$ 1,500,467	65.5%	\$ 2,482,618	\$ 1,500,467	65.5%
Simulcast						
<b>Handle by Breed</b>						
Thoroughbred	\$ 292,905	\$ 1,095,415	<b>-73.3%</b>	\$ 1,248,146	\$ 7,372,361	<b>-83.1%</b>
Standardbred	\$ -	\$ 12,717	<b>-100.0%</b>	\$ 759	\$ 188,752	<b>-99.6%</b>
Qtr/Arabian	\$ 10,046	\$ 2,884	248.3%	\$ 20,070	\$ 28,139	<b>-28.7%</b>
<b>Total Handle</b>	\$ 302,950	\$ 1,111,017	<b>-72.7%</b>	\$ 1,268,974	\$ 7,589,253	<b>-83.3%</b>
TB Development Fund	\$ 5,858	\$ 21,908	<b>-73.3%</b>	\$ 24,963	\$ 147,447	<b>-83.1%</b>
SB Development Fund	\$ -	\$ 254	<b>-100.0%</b>	\$ 15	\$ 3,775	<b>-99.6%</b>
QH Development Fund	\$ 201	\$ 58	248.3%	\$ 401	\$ 563	<b>-28.7%</b>
Equine Industry Program*	\$ 151	\$ 556	<b>-72.7%</b>	\$ 634	\$ 3,795	<b>-83.3%</b>
Equine Drug Research	\$ 303	\$ 1,111	<b>-72.7%</b>	\$ 1,269	\$ 7,589	<b>-83.3%</b>
Higher Education Fund	\$ 303	\$ 1,111	<b>-72.7%</b>	\$ 1,269	\$ 7,589	<b>-83.3%</b>
Ky General Fund	\$ 2,272	\$ 8,333	<b>-72.7%</b>	\$ 9,517	\$ 56,919	<b>-83.3%</b>
<b>Total Kentucky Excise Tax (3%)</b>	\$ 9,089	\$ 33,330	<b>-72.7%</b>	\$ 38,069	\$ 227,678	<b>-83.3%</b>

Note 1: The Backside Improvement Fund is funded by 0.5% of Live Handle, separately from the Excise Tax, for Live Thoroughbred Racing conducted by associations per KRS 230.3615.

\* Rate is .05% for Simulcast only



## Kentucky Resident Advance Deposit Wagering Report December, 2020

	Dec-20	Dec-19	% Change	FYTD-2021	FYTD-2020	% Change
Total In-State Handle	\$ 2,482,437	\$ 2,006,108	23.7%	\$ 73,027,545	\$ 29,166,177	150.4%
Total Out-of State Handle	\$ 19,189,923	\$ 10,904,365	76.0%	\$ 146,440,429	\$ 89,305,379	64.0%
<b>Total Handle (TH)</b>	<b>\$ 21,672,360</b>	<b>\$ 12,910,473</b>	<b>67.9%</b>	<b>\$ 219,467,974</b>	<b>\$ 118,471,556</b>	<b>85.2%</b>
Host Track (42.5% Allocation)	\$ 46,054	\$ 27,435	67.9%	\$ 466,369	\$ 251,752	85.2%
Purse (42.5% Allocation)	\$ 46,054	\$ 27,435	67.9%	\$ 466,369	\$ 251,752	85.2%
KY General Fund (15% Allocation)	\$ 16,254	\$ 9,683	67.9%	\$ 164,601	\$ 88,854	85.2%
<b>Total KY Excise Tax (.05% of TH)</b>	<b>\$ 108,362</b>	<b>\$ 64,552</b>	<b>67.9%</b>	<b>\$ 1,097,340</b>	<b>\$ 592,358</b>	<b>85.2%</b>



**Kentucky Resident Advance Deposit Wagering Report for December 2020**

<b>AmWest Entertainment</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	0.00%	\$ -	\$ -	#DIV/0!	0.13%	\$ 97,505	\$ 103,003	-5.3%
Total Out-of State Handle	0.45%	\$ 87,314	\$ 23,333	274.2%	0.45%	\$ 665,207	\$ 319,588	108.1%
<b>Total Handle (TH)</b>	<b>0.40%</b>	<b>\$ 87,314</b>	<b>\$ 23,333</b>	<b>274.2%</b>	<b>0.35%</b>	<b>\$ 762,712</b>	<b>\$ 422,591</b>	<b>80.5%</b>
Host Track (42.5% Allocation)		\$ 186	\$ 50	274.2%		\$ 1,621	\$ 898	80.5%
Purse (42.5% Allocation)		\$ 186	\$ 50	274.2%		\$ 1,621	\$ 898	80.5%
KY General Fund (15% Allocation)		\$ 65	\$ 17	274.2%		\$ 572	\$ 317	80.5%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 437</b>	<b>\$ 117</b>	<b>274.2%</b>		<b>\$ 3,814</b>	<b>\$ 2,113</b>	<b>80.5%</b>

<b>eBet</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	0.15%	\$ 3,631	\$ 958	279.0%	0.07%	\$ 54,008	\$ 24,709	118.6%
Total Out-of State Handle	0.34%	\$ 65,738	\$ 48,771	34.8%	0.32%	\$ 474,080	\$ 378,936	25.1%
<b>Total Handle (TH)</b>	<b>0.32%</b>	<b>\$ 69,369</b>	<b>\$ 49,729</b>	<b>39.5%</b>	<b>0.24%</b>	<b>\$ 528,088</b>	<b>\$ 403,645</b>	<b>30.8%</b>
Host Track (42.5% Allocation)		\$ 147	\$ 106	39.5%		\$ 1,122	\$ 858	30.8%
Purse (42.5% Allocation)		\$ 147	\$ 106	39.5%		\$ 1,122	\$ 858	30.8%
KY General Fund (15% Allocation)		\$ 52	\$ 37	39.5%		\$ 396	\$ 303	30.8%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 347</b>	<b>\$ 249</b>	<b>39.5%</b>		<b>\$ 2,640</b>	<b>\$ 2,018</b>	<b>30.8%</b>

<b>Lien Games</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	0.00%	\$ -	\$ -	#DIV/0!	0.02%	\$ 13,812	\$ 5,929	133.0%
Total Out-of State Handle	0.08%	\$ 16,076	\$ 8,750	83.7%	0.09%	\$ 133,391	\$ 73,087	82.5%
<b>Total Handle (TH)</b>	<b>0.07%</b>	<b>\$ 16,076</b>	<b>\$ 8,750</b>	<b>83.7%</b>	<b>0.07%</b>	<b>\$ 147,203</b>	<b>\$ 79,016</b>	<b>86.3%</b>
Host Track (42.5% Allocation)		\$ 34	\$ 19	83.7%		\$ 313	\$ 168	86.3%
Purse (42.5% Allocation)		\$ 34	\$ 19	83.7%		\$ 313	\$ 168	86.3%
KY General Fund (15% Allocation)		\$ 12	\$ 7	83.7%		\$ 110	\$ 59	86.3%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 80</b>	<b>\$ 44</b>	<b>83.7%</b>		<b>\$ 736</b>	<b>\$ 395</b>	<b>86.3%</b>

**Kentucky Resident Advance Deposit Wagering Report for December 2020 (Cont)**

<b>NYRabets</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	2.89%	\$ 71,702	\$ 35,188	103.8%	2.55%	\$ 1,863,510	\$ 537,804	246.5%
Total Out-of State Handle	3.00%	\$ 576,494	\$ 229,130	151.6%	2.93%	\$ 4,294,055	\$ 2,187,872	96.3%
<b>Total Handle (TH)</b>	<b>2.99%</b>	<b>\$ 648,196</b>	<b>\$ 264,318</b>	<b>145.2%</b>	<b>2.81%</b>	<b>\$ 6,157,566</b>	<b>\$ 2,725,676</b>	<b>125.9%</b>
Host Track (42.5% Allocation)		\$ 1,377	\$ 562	145.2%		\$ 13,085	\$ 5,792	125.9%
Purse (42.5% Allocation)		\$ 1,377	\$ 562	145.2%		\$ 13,085	\$ 5,792	125.9%
KY General Fund (15% Allocation)		\$ 486	\$ 198	145.2%		\$ 4,618	\$ 2,044	125.9%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 3,241</b>	<b>\$ 1,322</b>	<b>145.2%</b>		<b>\$ 30,788</b>	<b>\$ 13,628</b>	<b>125.9%</b>

<b>TVG</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	29.59%	\$ 734,558	\$ 607,504	20.9%	27.20%	\$ 19,861,070	\$ 7,741,924	156.5%
Total Out-of State Handle	35.33%	\$ 6,778,928	\$ 3,744,920	81.0%	36.07%	\$ 52,824,663	\$ 30,763,177	71.7%
<b>Total Handle (TH)</b>	<b>34.67%</b>	<b>\$ 7,513,487</b>	<b>\$ 4,352,424</b>	<b>72.6%</b>	<b>33.12%</b>	<b>\$ 72,685,733</b>	<b>\$ 38,505,101</b>	<b>88.8%</b>
Host Track (42.5% Allocation)		\$ 15,966	\$ 9,249	72.6%		\$ 154,457	\$ 81,823	88.8%
Purse (42.5% Allocation)		\$ 15,966	\$ 9,249	72.6%		\$ 154,457	\$ 81,823	88.8%
KY General Fund (15% Allocation)		\$ 5,635	\$ 3,264	72.6%		\$ 54,514	\$ 28,879	88.8%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 37,567</b>	<b>\$ 21,762</b>	<b>72.6%</b>		<b>\$ 363,429</b>	<b>\$ 192,526</b>	<b>88.8%</b>

<b>TwinSpire</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	60.27%	\$ 1,496,201	\$ 1,196,532	25.0%	59.43%	\$ 43,399,405	\$ 16,801,089	158.3%
Total Out-of State Handle	47.99%	\$ 9,209,141	\$ 5,509,381	67.2%	49.49%	\$ 72,477,452	\$ 45,292,184	60.0%
<b>Total Handle (TH)</b>	<b>49.40%</b>	<b>\$ 10,705,342</b>	<b>\$ 6,705,913</b>	<b>59.6%</b>	<b>52.80%</b>	<b>\$ 115,876,857</b>	<b>\$ 62,093,273</b>	<b>86.6%</b>
Host Track (42.5% Allocation)		\$ 22,749	\$ 14,250	59.6%		\$ 246,238	\$ 131,948	86.6%
Purse (42.5% Allocation)		\$ 22,749	\$ 14,250	59.6%		\$ 246,238	\$ 131,948	86.6%
KY General Fund (15% Allocation)		\$ 8,029	\$ 5,029	59.6%		\$ 86,908	\$ 46,570	86.6%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 53,527</b>	<b>\$ 33,530</b>	<b>59.6%</b>		<b>\$ 579,384</b>	<b>\$ 310,466</b>	<b>86.6%</b>

**Kentucky Resident Advance Deposit Wagering Report for December 2020 (Cont)**

<b>Watch and Wager</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	0.06%	\$ 1,414	\$ 911	55.2%	0.04%	\$ 32,518	\$ 39,785	-18.3%
Total Out-of State Handle	0.11%	\$ 21,678	\$ 5,117	323.6%	0.10%	\$ 145,104	\$ 167,674	-13.5%
<b>Total Handle (TH)</b>	<b>0.11%</b>	<b>\$ 23,092</b>	<b>\$ 6,028</b>	<b>283.1%</b>	<b>0.08%</b>	<b>\$ 177,621</b>	<b>\$ 207,459</b>	<b>-14.4%</b>
Host Track (42.5% Allocation)		\$ 49	\$ 13	283.1%		\$ 377	\$ 441	-14.4%
Purse (42.5% Allocation)		\$ 49	\$ 13	283.1%		\$ 377	\$ 441	-14.4%
KY General Fund (15% Allocation)		\$ 17	\$ 5	283.1%		\$ 133	\$ 156	-14.4%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 115</b>	<b>\$ 30</b>	<b>283.1%</b>		<b>\$ 888</b>	<b>\$ 1,037</b>	<b>-14.4%</b>

<b>Xpressbet</b>	<b>% of Total</b>	<b>Dec-20</b>	<b>Dec-19</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2021</b>	<b>FYTD-2020</b>	<b>% Change</b>
Total In-State Handle	7.05%	\$ 174,932	\$ 165,015	6.0%	10.55%	\$ 7,705,717	\$ 3,911,934	97.0%
Total Out-of State Handle	12.69%	\$ 2,434,554	\$ 1,334,963	82.4%	10.53%	\$ 15,426,477	\$ 10,122,861	52.4%
<b>Total Handle (TH)</b>	<b>12.04%</b>	<b>\$ 2,609,485</b>	<b>\$ 1,499,978</b>	<b>74.0%</b>	<b>10.54%</b>	<b>\$ 23,132,194</b>	<b>\$ 14,034,795</b>	<b>64.8%</b>
Host Track (42.5% Allocation)		\$ 5,545	\$ 3,187	74.0%		\$ 49,156	\$ 29,824	64.8%
Purse (42.5% Allocation)		\$ 5,545	\$ 3,187	74.0%		\$ 49,156	\$ 29,824	64.8%
KY General Fund (15% Allocation)		\$ 1,957	\$ 1,125	74.0%		\$ 17,349	\$ 10,526	64.8%
<b>Total KY Excise Tax (.05% of TH)</b>		<b>\$ 13,047</b>	<b>\$ 7,500</b>	<b>74.0%</b>		<b>\$ 115,661</b>	<b>\$ 70,174</b>	<b>64.8%</b>

## Kentucky Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 309,849,087	\$ 250,169,538	23.9%	\$ 1,805,914,978	\$ 1,396,544,258	29.3%
Less: Returned to Public	\$ 281,519,682	\$ 228,862,263	23.0%	\$ 1,645,693,640	\$ 1,278,166,083	28.8%
Less: Breakage	\$ 63,892	\$ 99,930		\$ 479,765	\$ 583,129	
Less: Change in Pools (Note 6)	\$ 1,423,053	\$ 265,603		\$ 4,125,781	\$ 1,062,342	
<b>Gross Commission</b>	<u>\$ 26,842,460</u>	<u>\$ 20,941,741</u>	28.2%	<u>\$ 155,615,791</u>	<u>\$ 116,732,703</u>	33.3%
TB Development Fund (Note 1)	\$ 1,744,036	\$ 1,725,760	1.1%	\$ 11,116,365	\$ 9,629,337	15.4%
SB Development Fund (Note 2)	\$ 773,109	\$ 200,682	285.2%	\$ 3,237,330	\$ 1,126,327	187.4%
Equine Industry Program (Note 3)	\$ -	\$ -		\$ 650,000	\$ 650,000	0.0%
Equine Drug Research (Note 4)	\$ -	\$ -		\$ 320,000	\$ 320,000	0.0%
Higher Education Fund (Note 4)	\$ -	\$ -		\$ 320,000	\$ 320,000	0.0%
Kentucky General Fund (Note 5)	\$ 2,130,591	\$ 1,826,101	16.7%	\$ 11,445,030	\$ 8,902,500	28.6%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 4,647,736</u>	<u>\$ 3,752,543</u>	23.9%	<u>\$ 27,088,725</u>	<u>\$ 20,948,164</u>	29.3%
% of Gross Commission	17.3%	17.9%		17.4%	17.9%	
<b>Net Commission + Breakage</b>	\$ 22,258,616	\$ 17,289,128	28.7%	\$ 129,006,832	\$ 96,367,668	33.9%
% of Total Handle	7.18%	6.91%		7.14%	6.90%	
Number of HHR Terminals	3,625	2,891	25.4%	3,544	2,891	22.6%
Average Daily Handle	\$ 9,995,132	\$ 8,069,985	23.9%	\$ 9,814,755	\$ 7,589,914	29.3%
Handle/Day/Terminal	\$ 2,757	\$ 2,791	-1.2%	\$ 2,769	\$ 2,625	5.5%
Gross Commission / Day /Terminal	\$ 239	\$ 234	2.2%	\$ 239	\$ 219	8.7%
	December -20	November - 20	% Change	Since Inception		
Total Handle	\$ 309,849,087	\$ 304,813,501	1.7%	Total Handle	\$ 9,841,555,088	
Total Kentucky Excise Tax	\$ 4,647,736	\$ 4,572,203	1.7%	Total Kentucky Excise Tax	\$ 147,623,326	
Average Daily Handle	\$ 9,995,132	\$ 10,160,450	-1.6%	Total KY General Fund	\$ 59,318,150	

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.

## Derby City Gaming Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 94,677,450	\$ 106,709,261	-11.3%	\$ 595,780,947	\$ 590,436,779	0.9%
Less: Returned to Public	\$ 86,173,221	\$ 96,951,021	-11.1%	\$ 541,692,157	\$ 536,451,345	1.0%
Less: Breakage	\$ -	\$ -		\$ -	\$ -	
Less: Change in Pools (Note 6)	\$ 86,508	\$ 76,171		\$ 917,587	\$ 49,382	
<b>Gross Commission</b>	<u>\$ 8,417,721</u>	<u>\$ 9,682,068</u>	-13.1%	<u>\$ 53,171,203</u>	<u>\$ 53,936,052</u>	-1.4%
TB Development Fund (Note 1)	\$ 710,081	\$ 800,319	-11.3%	\$ 4,468,357	\$ 4,428,276	0.9%
SB Development Fund (Note 2)						
Equine Industry Program (Note 3)	\$ -	\$ -		\$ 250,499	\$ 271,057	-7.6%
Equine Drug Research (Note 4)	\$ -	\$ -		\$ 123,322	\$ 133,443	-7.6%
Higher Education Fund (Note 4)	\$ -	\$ -		\$ 123,322	\$ 133,443	-7.6%
Kentucky General Fund (Note 5 )	\$ 710,081	\$ 800,319	-11.3%	\$ 3,971,213	\$ 3,890,332	2.1%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 1,420,162</u>	<u>\$ 1,600,639</u>	-11.3%	<u>\$ 8,936,714</u>	<u>\$ 8,856,552</u>	0.9%
% of Gross Commission	16.9%	16.5%		16.8%	16.4%	
<b>Net Commission + Breakage</b>	\$ 6,997,559	\$ 8,081,429	-13.4%	\$ 44,234,488	\$ 45,079,500	-1.9%
% of Total Handle	7.39%	7.57%		7.42%	7.63%	
Number of HHR Terminals	653	1,000	-34.7%	700	1,000	-30.0%
Average Daily Handle	\$ 3,054,111	\$ 3,442,234	-11.3%	\$ 3,237,940	\$ 3,208,896	0.9%
Handle/Day/Terminal	\$ 4,677	\$ 3,442	35.9%	\$ 4,959	\$ 3,209	54.5%
Gross Commission / Day /Terminal	\$ 416	\$ 312	33.1%	\$ 443	\$ 293	51.0%
	December -20	November - 20	% Change	Since Inception (September 10, 2018)		
Total Handle	\$ 94,677,450	\$ 89,926,119	5.28%	Total Handle	\$ 2,220,164,278	
Total Kentucky Excise Tax	\$ 1,420,162	\$ 1,348,892	5.28%	Total Kentucky Excise Tax	\$ 33,302,464	
Average Daily Handle	\$ 3,054,111	\$ 2,997,537	1.89%	Total KY General Fund	\$ 15,511,245	

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.

## Ellis Park Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 14,822,861	\$ 9,780,065	51.6%	\$ 104,339,437	\$ 57,054,378	82.9%
Less: Returned to Public	\$ 13,502,173	\$ 9,181,504	47.1%	\$ 95,112,041	\$ 52,532,564	81.1%
Less: Breakage	\$ 2,020	\$ 1,542		\$ 11,684	\$ 5,330	
Less: Change in Pools (Note 6)	\$ 46,172	\$ (204,998)		\$ 179,747	\$ (70,577)	
<b>Gross Commission</b>	<u>\$ 1,272,495</u>	<u>\$ 802,018</u>	58.7%	<u>\$ 9,035,966</u>	<u>\$ 4,587,061</u>	97.0%
TB Development Fund (Note 1)	\$ 111,171	\$ 73,350	51.6%	\$ 782,546	\$ 427,908	82.9%
SB Development Fund (Note 2)						
Equine Industry Program (Note 3)	\$ -	\$ -		\$ 46,371	\$ 28,250	64.1%
Equine Drug Research (Note 4)	\$ -	\$ -		\$ 22,829	\$ 13,908	64.1%
Higher Education Fund (Note 4)	\$ -	\$ -		\$ 22,829	\$ 13,908	64.1%
Kentucky General Fund (Note 5 )	\$ 111,171	\$ 73,350	51.6%	\$ 690,518	\$ 371,842	85.7%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 222,343</u>	<u>\$ 146,701</u>	51.6%	<u>\$ 1,565,092</u>	<u>\$ 855,816</u>	82.9%
% of Gross Commission	17.5%	18.3%		17.3%	18.7%	
<b>Net Commission + Breakage</b>	\$ 1,052,173	\$ 656,859	60.2%	\$ 7,482,558	\$ 3,736,575	100.3%
% of Total Handle	7.10%	6.72%		7.17%	6.55%	
Number of HHR Terminals	197	200	-1.5%	183	200	-8.3%
Average Daily Handle	\$ 478,157	\$ 315,486	51.6%	\$ 567,062	\$ 310,078	82.9%
Handle/Day/Terminal	\$ 2,427	\$ 1,577	53.9%	\$ 2,878	\$ 1,550	85.7%
Gross Commission / Day /Terminal	\$ 208	\$ 129	61.1%	\$ 249	\$ 125	100.0%
	December -20	November - 20	% Change	Since Inception (August 31, 2012)		
Total Handle	\$ 14,822,861	\$ 15,350,082	-3.4%	Total Handle	\$ 639,080,186	
Total Kentucky Excise Tax	\$ 222,343	\$ 230,251	-3.4%	Total Kentucky Excise Tax	\$ 9,586,203	
Average Daily Handle	\$ 478,157	\$ 511,669	-6.5%	Total KY General Fund	\$ 3,781,873	

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.

## Kentucky Downs Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 90,296,587	\$ 93,543,785	-3.5%	\$ 611,505,027	\$ 523,787,681	16.7%
Less: Returned to Public	\$ 81,913,372	\$ 86,088,628	-4.8%	\$ 559,128,106	\$ 482,776,381	15.8%
Less: Breakage	\$ 16,287	\$ 15,329		\$ 108,142	\$ 83,467	
Less: Change in Pools (Note 6)	\$ 560,231	\$ 51,491		\$ 346,429	\$ (276,167)	
<b>Gross Commission</b>	<u>\$ 7,806,697</u>	<u>\$ 7,388,339</u>	5.7%	<u>\$ 51,922,348</u>	<u>\$ 41,204,000</u>	26.0%
TB Development Fund (Note 1)	\$ 677,224	\$ 701,578	-3.5%	\$ 4,586,288	\$ 3,928,408	16.7%
SB Development Fund (Note 2)						
Equine Industry Program (Note 3)	\$ -	\$ -		\$ 246,916	\$ 257,689	-4.2%
Equine Drug Research (Note 4)	\$ -	\$ -		\$ 121,559	\$ 126,862	-4.2%
Higher Education Fund (Note 4)	\$ -	\$ -		\$ 121,559	\$ 126,862	-4.2%
Kentucky General Fund (Note 5 )	\$ 677,224	\$ 701,578	-3.5%	\$ 4,096,253	\$ 3,416,994	19.9%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 1,354,449</u>	<u>\$ 1,403,157</u>	-3.5%	<u>\$ 9,172,575</u>	<u>\$ 7,856,815</u>	16.7%
% of Gross Commission	17.3%	19.0%		17.7%	19.1%	
<b>Net Commission + Breakage</b>	\$ 6,468,535	\$ 6,000,510	7.8%	\$ 42,857,915	\$ 33,430,652	28.2%
% of Total Handle	7.16%	6.41%		7.01%	6.38%	
Number of HHR Terminals	1,022	753	35.7%	797	753	5.8%
Average Daily Handle	\$ 2,912,793	\$ 3,017,541	-3.5%	\$ 3,323,397	\$ 2,846,672	16.7%
Handle/Day/Terminal	\$ 2,850	\$ 4,007	-28.9%	\$ 3,252	\$ 3,780	-14.0%
Gross Commission / Day /Terminal	\$ 246	\$ 317	-22.1%	\$ 276	\$ 297	-7.2%
	December -20	November - 20	% Change	Since Inception (September 1, 2011)		
Total Handle	\$ 90,296,587	\$ 94,987,369	-4.9%	Total Handle	\$ 5,082,703,964	
Total Kentucky Excise Tax	\$ 1,354,449	\$ 1,424,811	-4.9%	Total Kentucky Excise Tax	\$ 76,240,559	
Average Daily Handle	\$ 2,912,793	\$ 3,166,246	-8.0%	Total KY General Fund	\$ 29,979,160	

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.



## KRM Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 39,568,442	\$ 40,136,427	-1.4%	\$ 259,068,148	\$ 225,265,419	15.0%
Less: Returned to Public	\$ 36,157,967	\$ 36,641,110	-1.3%	\$ 236,918,920	\$ 206,405,793	14.8%
Less: Breakage	\$ 45,584	\$ 83,060		\$ 359,940	\$ 494,332	
Less: Change in Pools (Note 6)	\$ 313,530	\$ 342,939		\$ 1,416,734	\$ 1,359,704	
<b>Gross Commission</b>	<u>\$ 3,051,360</u>	<u>\$ 3,069,318</u>	-0.6%	<u>\$ 20,372,555</u>	<u>\$ 17,005,591</u>	19.8%
TB Development Fund (Note 1)	\$ 148,382	\$ 150,512	-1.4%	\$ 971,506	\$ 844,745	15.0%
SB Development Fund (Note 2)	\$ 197,842	\$ 200,682	-1.4%	\$ 1,295,341	\$ 1,126,327	15.0%
Equine Industry Program (Note 3)	\$ -	\$ -		\$ 106,214	\$ 93,004	14.2%
Equine Drug Research (Note 4)	\$ -	\$ -		\$ 52,290	\$ 45,787	14.2%
Higher Education Fund (Note 4)	\$ -	\$ -		\$ 52,290	\$ 45,787	14.2%
Kentucky General Fund (Note 5 )	\$ 247,303	\$ 250,853	-1.4%	\$ 1,408,382	\$ 1,223,332	15.1%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 593,527</u>	<u>\$ 602,046</u>	-1.4%	<u>\$ 3,886,022</u>	<u>\$ 3,378,981</u>	15.0%
% of Gross Commission	19.5%	19.6%		19.1%	19.9%	
<b>Net Commission + Breakage</b>	\$ 2,503,417	\$ 2,550,331	-1.8%	\$ 16,846,473	\$ 14,120,941	19.3%
% of Total Handle	6.33%	6.35%		6.50%	6.27%	
Number of HHR Terminals	473	938	-49.6%	459	938	-51.1%
Average Daily Handle	\$ 1,318,948	\$ 1,337,881	-1.4%	\$ 1,415,673	\$ 1,230,959	15.0%
Handle/Day/Terminal	\$ 2,788	\$ 1,426	95.5%	\$ 2,993	\$ 1,312	128.1%
Gross Commission / Day /Terminal	\$ 215	\$ 109	97.1%	\$ 235	\$ 99	137.6%
	December -20	November - 20	% Change	Since Inception (September 8, 2015)		
Total Handle	\$ 39,568,442	\$ 38,454,566	2.9%	Total Handle	\$ 1,664,385,240	
Total Kentucky Excise Tax	\$ 593,527	\$ 576,818	2.9%	Total Kentucky Excise Tax	\$ 24,965,779	
Average Daily Handle	\$ 1,318,948	\$ 1,281,819	2.9%	Total KY General Fund	\$ 8,767,208	

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.

## Newport Racing and Gaming Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 12,957,038	\$ -		\$ 41,022,482	\$ -	
Less: Returned to Public	\$ 11,617,009	\$ -		\$ 36,801,573	\$ -	
Less: Breakage	\$ -	\$ -		\$ -	\$ -	
Less: Change in Pools (Note 6)	\$ 112,548	\$ -		\$ 312,667	\$ -	
<b>Gross Commission</b>	<u>\$ 1,227,480</u>	<u>\$ -</u>		<u>\$ 3,908,242</u>	<u>\$ -</u>	
TB Development Fund (Note 1)	\$ 97,178	\$ -		\$ 307,669	\$ -	
SB Development Fund (Note 2)						
Equine Industry Program (Note 3)	\$ -	\$ -		\$ -	\$ -	
Equine Drug Research (Note 4)	\$ -	\$ -		\$ -	\$ -	
Higher Education Fund (Note 4)	\$ -	\$ -		\$ -	\$ -	
Kentucky General Fund (Note 5 )	\$ 97,178	\$ -		\$ 307,669	\$ -	
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 194,356</u>	<u>\$ -</u>		<u>\$ 615,337</u>	<u>\$ -</u>	
% of Gross Commission	15.8%			15.7%		
<b>Net Commission + Breakage</b>	\$ 1,033,125	\$ -		\$ 3,292,905	\$ -	
% of Total Handle	7.97%			8.03%		
Number of HHR Terminals	300			440		
Average Daily Handle	\$ 417,969			\$ 445,897		
Handle/Day/Terminal	\$ 1,393			\$ 1,486		
Gross Commission / Day /Terminal	\$ 132			\$ 142		

	December -20	November - 20	% Change	Since Inception (September 30, 2020)	
Total Handle	\$ 12,957,038	\$ 11,742,855	10.3%	Total Handle	\$ 41,022,482
Total Kentucky Excise Tax	\$ 194,356	\$ 176,143	10.3%	Total Kentucky Excise Tax	\$ 615,337
Average Daily Handle	\$ 417,969	\$ 391,428	6.8%	Total KY General Fund	\$ 307,669

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.

## Oak Grove Historical Horse Racing Report for December, 2020

	December -20	December - 19	% Change	FYTD - 2021	FYTD - 2020	% Change
<b>Total Handle</b>	\$ 57,526,708	\$ -		\$ 194,198,937	\$ -	
Less: Returned to Public	\$ 52,155,939	\$ -		\$ 176,040,843	\$ -	
Less: Breakage	\$ -	\$ -		\$ -	\$ -	
Less: Change in Pools (Note 6)	\$ 304,062	\$ -		\$ 952,617	\$ -	
<b>Gross Commission</b>	<u>\$ 5,066,707</u>	<u>\$ -</u>		<u>\$ 17,205,477</u>	<u>\$ -</u>	
TB Development Fund (Note 1)	\$ -	\$ -		\$ -	\$ -	
SB Development Fund (Note 2)	\$ 575,267	\$ -		\$ 1,941,989	\$ -	
Equine Industry Program (Note 3)	\$ -	\$ -		\$ -	\$ -	
Equine Drug Research (Note 4)	\$ -	\$ -		\$ -	\$ -	
Higher Education Fund (Note 4)	\$ -	\$ -		\$ -	\$ -	
Kentucky General Fund (Note 5 )	\$ 287,634	\$ -		\$ 970,995	\$ -	
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 862,901</u>	<u>\$ -</u>		<u>\$ 2,912,984</u>	<u>\$ -</u>	
% of Gross Commission	17.0%			16.9%		
<b>Net Commission + Breakage</b>	\$ 4,203,807			\$ 14,292,493		
% of Total Handle	7.31%			7.36%		
<hr/>						
Number of HHR Terminals	980			965		
Average Daily Handle	\$ 1,855,700			\$ 1,832,065		
Handle/Day/Terminal	\$ 1,894			\$ 1,869		
Gross Commission / Day /Terminal	\$ 167			\$ 166		

	December -20	November - 20	% Change	Since Inception (September 16, 2020)	
Total Handle	\$ 57,526,708	\$ 54,352,509	5.8%	Total Handle	\$ 194,198,937
Total Kentucky Excise Tax	\$ 862,901	\$ 815,288	5.8%	Total Kentucky Excise Tax	\$ 2,912,984
Average Daily Handle	\$ 1,855,700	\$ 1,811,750	2.4%	Total KY General Fund	\$ 970,995

Note 1: Thoroughbred Development Fund receives .75% of TH at KD, EP and DCG. The rate applies to half of the TH at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the TH at KRM and 1.0% of TH at OG.

Note 3: EIP Fund receives .2% of the TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF Funds each receive .1% of the TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1,2,3 and 4.

Note 6: Represents the net change in all wagering pools.