

1 PUBLIC PROTECTION CABINET

2 Kentucky Horse Racing Commission

3 (New Administrative Regulation)

4 810 KAR 2:010. Racing Commission and administrative staff.

5 RELATES TO: KRS 230.230, 230.240

6 STATUTORY AUTHORITY: KRS 230.240(1)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 230.240(1) authorizes the executive director  
8 of the commission to employ staff deemed by the executive director to be essential at or in  
9 connection with any horse race meeting and in the best interest of racing. The function of this  
10 administrative regulation is to outline the positions and duties of certain commission staff  
11 members.

12 Section 1. Stewards and Judges. The commission shall employ:

13 (1) A chief state steward and presiding judge, responsible for overall supervision of all  
14 commission matters pertaining to horse racing; and

15 (2) A state steward and state judge, responsible for all commission matters at horse racing  
16 meetings to which he or she is assigned and for other duties as may be directed.

17 Section 2. Commission Licensing Administrator. (1) The commission shall employ a person  
18 who shall be responsible for:

19 (a) Processing license applications of all persons required to be licensed by 810 KAR 3:020;

20 and

1 (b) Collecting licensing fees.

2 (2) The licensing administrator or his or her assistants shall:

3 (a) Be present on association grounds prior to the opening of a race meeting to accept license  
4 applications;

5 (b) Maintain an office on association grounds to accept license applications during the race  
6 meeting;

7 (c) File daily reports to the commission to include:

8 1. A list of license applications; and

9 2. An accounting of fees received:

10 (d) Forward all fees to the commission; and

11 (e) Be responsible for photographing license applicants for whom same is required.

12 Section 3. Commission Director of Pari-mutuel Wagering. (1) The commission shall employ  
13 or designate a supervisor who shall be responsible for:

14 (a) Verifying daily handle for live wagering, simulcast wagering, advance deposit wagering,  
15 and historical horse racing wagering;

16 (b) Reviewing advance deposit wagering and totalizator license applications;

17 (c) Overseeing wagering investigations;

18 (d) Testing totalizator services before each race meeting, and ensuring that totalizator  
19 standards are met;

20 (e) Reviewing requests for new pari-mutuel wagers;

21 (f) Submitting reports to the Department of Revenue summarizing wagering activities;

22 (g) Reviewing tax statements and totalizator reports for accuracy;

- 1 (h) Implementing pari-mutuel wagering policies and procedures; and  
2 (i) Performing other duties related to pari-mutuel wagering as the commission or the  
3 executive director may assign.

4 (2) The commission director of pari-mutuel wagering or his or her representative shall have  
5 access to all association books, records, and pari-mutuel equipment.

6 Section 4. Commission Veterinarian. The commission shall employ a veterinarian licensed in  
7 Kentucky and experienced in equine medicine and practice.

8 (1) The commission veterinarian shall:

9 (a) Advise the commission on matters related to equine health and the practice of veterinary  
10 medicine;

11 (b) Supervise and control the detention area;

12 (c) Direct and supervise the collection of samples for the testing of horses for prohibited  
13 medication;

14 (d) Inspect and record findings concerning racing soundness for all horses entered;

15 (e) Maintain and post on the commission website the veterinarian's list of horses that are  
16 ineligible to race because of sickness or unsoundness;

17 (f) Report any observed cruel or inhumane treatment of horses to the stewards;

18 (h) Be attendant on the stewards and the racing secretary at scratch time each day;

19 (i) Examine horses as racing officials may request;

20 (j) Make prompt reports to racing officials;

21 (k) Be present in the paddock for saddling;

22 (l) Inspect the horses for:

- 1           1. Physical fitness;
- 2           2. General conditions; and
- 3           3. Any unsoundness;
- 4           (m) Accompany each field to the starting gate;
- 5           (n) Observe all horses after the finish of each field.
- 6           (2) The commission veterinarian shall have the authority to determine that:
- 7           (a) A horse has suffered an injury:
- 8           1. While in the paddock;
- 9           2. During the post parade; or
- 10          3. At the starting gate; and
- 11          (b) A horse is unfit to race. Upon such a determination, the commission veterinarian shall
- 12          recommend to the stewards that the horse be excused and placed on the veterinarian's list.
- 13          (3) Upon the request of the stewards or judges, a horse requested to be scratched for physical
- 14          reasons after scratch time shall be inspected by a commission veterinarian, who shall report the
- 15          condition of the horse to the stewards or judges.
- 16          (4) Except as provided in 810 KAR 8:010, Section 6, the commission veterinarian shall not:
- 17          (a) Treat, prescribe, or sell any drug supplies for any horse registered to race at any race track
- 18          where he or she is employed, except in case of emergency;
- 19          (b) Buy or sell, for himself or another, any horse under his or her supervision;
- 20          (c) Be employed by or receive any compensation whether directly or indirectly from any
- 21          licensed owner or trainer;
- 22          (d) Wager on a race under his or her supervision;

1 (e) Sell insurance; or

2 (f) Be licensed to participate in racing in any other capacity.

3 Section 5. Commission Director of Enforcement. The commission shall employ an investigator  
4 experienced in police work who shall:

5 (1) Maintain a current file on persons against whom rulings have been issued in racing  
6 jurisdictions and reported through the Association of Racing Commissioners International and the  
7 breed registry organization applicable to the horse. The file shall as necessary contain reports:

8 (a) Received from law enforcement agencies as to investigations, arrest records, and related  
9 information; and

10 (b) As to ejections or exclusions from association grounds in Kentucky and other racing  
11 jurisdictions;

12 (2) Investigate and ascertain the truth of statements made on license applications;

13 (3) Investigate possible infractions of racing rules at the request of the commission or  
14 stewards;

15 (4) Participate and cooperate with members of the track security, and state and local police  
16 on all other investigations and conduct pertaining to racing in the Commonwealth;

17 (5) Investigate and perform background checks on any person on association grounds or any  
18 license applicant whose conduct or reputation reflects on the honesty and integrity of  
19 thoroughbred racing or interferes with the orderly conduct of thoroughbred racing; and

20 (6) Perform such other duties related to security and enforcement as the commission or the  
21 executive director may direct.

1           Section 6. Director of Incentives and Development. The commission shall employ a director  
2 of incentives and development who shall:

3           (1) Oversee the operation of statutory breeders' incentive and development funds; and

4           (2) Perform such other duties as the commission or the executive director may direct.

810 KAR 2:010

READ AND APPROVED:

Franklin S. Kling, Jr.  
Franklin S. Kling, Jr., Chairman  
Kentucky Horse Racing Commission

11/12/18

Date

K. Gail Russell  
K. Gail Russell, Acting Secretary  
Public Protection Cabinet

11/13/18

Date

**PUBLIC HEARING AND PUBLIC COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on December 27, 2018 at 1:30 p.m., at the office of the Kentucky Horse Racing Commission, 4063 Iron Works Parkway, Building B, Lexington, Kentucky 40511. Individuals interested in being heard at this hearing shall notify the Kentucky Horse Racing Commission in writing by no later than five (5) working days 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 cancelled. 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 p.m., December 31, 2018. Please 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:** John L. Forgy  
General Counsel  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Facsimile: (859) 246-2039  
Email: [John.Forgy@ky.gov](mailto:John.Forgy@ky.gov)



## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation No.: 810 KAR 2:010

Contact Person: John L. Forgy, General Counsel, Kentucky Horse Racing Commission;  
Telephone: (859) 246-2040; Email: John.Forgy@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the duties of members of the Commission staff.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to set forth general guidelines concerning the duties and areas of responsibility of key members of the Commission staff.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 230.240(1) directs the Commission to prescribe by administrative regulation the powers and duties of the persons employed under this section and qualifications necessary to competently perform their duties.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation outlines the composition and duties of certain commission staff members as required by KRS 230.240(1).

(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 a new administrative regulation.

(b) The necessity of the amendment to this regulation: This is a new administrative regulation.

(c) How the amendment conforms to the content of the authorizing statute: This is a new administrative regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is a new administrative regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: The Kentucky Horse Racing Commission is affected by this regulation.

(4) Provide an analysis of how the entities identified in question (3) 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 that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Regulated entities are not directly affected by the administrative regulation, which defines areas of responsibility for Commission staff.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): No costs will be imposed on regulated entities.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3)? The Kentucky Horse Racing Commission will benefit from having the duties of key employees clearly defined.

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

(a) Initially: There is no initial administrative cost to implement this administrative regulation.

(b) On a continuing basis: There is no continuing cost to implement this administrative regulation.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: No specific funding will be required to implement this regulation, other than the costs of paying the salaries of the Commission personnel.

(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: No new fees or funding are necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any new fees or increase any current fees.

(9) TIERING: Is tiering applied? (Explain why tiering was or was not used.) Tiering is not applied because this amended regulation will apply to Commission employees only.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation No.: 810 KAR 2:010

Contact Person: John L. Forgy, General Counsel, Kentucky Horse Racing Commission;  
Telephone: (859) 246-2040; Email: John.Forgy@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 230.230, 230.240.

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.

(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.

(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.

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

Revenues (+/-): Neutral

Expenditures (+/-): Neutral

Other Explanation: None