

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

810 KAR 3:020

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(1) Provide a brief summary of:

(a) What this administrative regulation does: The administrative regulation establishes procedures by which individuals participating in horse racing are licensed by the Kentucky Horse Racing and Gaming Corporation ("KHRGC"), when they may be licensed, and that a license applicant may request a waiver based on their current licenses.

(b) The necessity of this administrative regulation: This regulation is necessary to ensure the integrity of horse racing in Kentucky by providing additional, more efficient options for the KHRGC and licensees participating in horse racing to issue or obtain a license.

(c) How this administrative regulation conforms to the content of the authorizing statutes: The Kentucky Horse Racing and Gaming Corporation is vested with forceful control of horse racing in the Commonwealth. KRS 230.215(2)(a). The KHRGC is vested with jurisdiction and supervision over all live horse racing and pari-mutuel wagering in the state and over all associations and persons on associations grounds. KRS 230.260(1). The KHRGC shall have full authority to prescribe necessary and reasonable administrative regulations under which licensing at a horse racing facility shall be conducted in Kentucky. KRS 230.310. This regulation establishes licensing procedures to implement the statutory mandate.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists with the effective administrative of the statutes by providing more efficient options when licensing racing participants.

(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 allows a written request for a waiver of licensing requirements for racing participants and new language details the information required when requesting a waiver. The KHRGC may then grant or deny the request based on at least the current licenses issued to the waiver applicant and the best interests and integrity of horse racing, pari-mutuel wagering and sports wagering. It also adds language referencing a request for waiver as an option when referencing an application for license, changes the earliest date to submit a license application from November 1 to October 1, and removes the 3-day cap for special events licenses.

(b) The necessity of the amendment to this administrative regulation: This

amendment is necessary to provide a waiver option to racing participants who already hold a current license with the KHRGC in order to provide a more streamlined and efficient process for the racing participant and the KHRGC, changes the date to submit a licensing application to allow the KHRGC's staff to gather more applications when certain licensed associations have racing, and to give the KHRGC's staff more discretion in licensing applicants for special events.

(c) How the amendment conforms to the content of the authorizing statutes: The Kentucky Horse Racing and Gaming Corporation is vested with forceful control of horse racing in the Commonwealth. KRS 230.215(2)(a). The KHRGC is vested with jurisdiction and supervision over all live horse racing and pari-mutuel wagering in the state and over all associations and persons on associations grounds. KRS 230.260(1). The KHRGC shall have full authority to prescribe necessary and reasonable administrative regulations under which licensing at a horse racing facility shall be conducted in Kentucky. KRS 230.310. These amendments provide necessary changes to the regulations establishing licensing procedures for racing participants in Kentucky.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes by making necessary changes to the regulations setting requirements for licensing racing participants in Kentucky.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: The KHRGC is affected by this administrative regulation, and any licensed participant in horse racing is potentially affected by this administrative 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: The amendment to the administrative regulation does not add any requirements or restrictions to entities identified in (3), but rather it removes certain requirements and grants flexibility to the regulated entities.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): No additional cost is anticipated.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Racing participants will have an option to request a waiver of the license application process based on their current license(s) with the KHRGC, making the application process less cumbersome for the licensee and the KHRGC. Furthermore, the KHRGC will have more flexibility and discretion in their licensing procedures.

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

(a) Initially: There is no anticipated continuing cost to administer the amendments to this administrative regulation.

(b) On a continuing basis: There is no anticipated continuing cost to administer the amendments to this administrative regulation.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: There is no additional funding needed to implement and enforce the amendments in this administrative regulation.

(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 increase in fees or funding is necessary to implement the amendment to this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: The amendments to this administrative regulation do not establish or increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering was not applied because this administrative regulation will apply to all similarly situated entities and individuals in the same manner.