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**IDAPA 11
TITLE 04
Chapter 02**

IDAHO STATE RACING COMMISSION

11.04.02 - RULES GOVERNING SIMULCASTING

000. LEGAL AUTHORITY.

The Idaho State Racing Commission has authority to make rules to implement and enforce the state racing law pursuant to Title 54, Chapter 25, of the Idaho Code. (4-5-00)

001. TITLE AND SCOPE.

01. Title. These rules shall be cited as IDAPA 11.04.02, "Rules Governing Simulcasting," of the Idaho State Racing Commission. (4-5-00)

02. Scope. All aspects of simulcasting are addressed in these rules. (4-5-00)

002. WRITTEN INTERPRETATIONS.

In accordance with Section 67-5201(16)(b)(iv), Idaho Code, this agency has written statements which pertain to the interpretation of the rules of this chapter, or to the documentation of compliance with the rules of this chapter. The document is available for public inspection and copying, at cost, at the Idaho State Racing Commission, 700 South Stratford Drive, P.O. Box 700, Meridian, Idaho 83680-0700. (4-5-00)

003. (RESERVED).

004. DEFINITIONS.

01. Association Which Accepts The Wager. The guest association where the bettor contributes his money to the pari-mutuel pool and receives a pari-mutuel ticket. (7-1-93)

02. Authorized User. A person authorized by the Commission to receive, to decode and use for legal purposes the encrypted simulcast signal of pari-mutuel events. (7-1-93)

03. Combined Pari-Mutuel Pools (Combined Pools). The pari-mutuel wagers at one (1) or more guest associations being contributed into the pari-mutuel pools of a host association of the combined pari-mutuel pools of simulcast facilities within the state of Idaho. (7-1-93)

04. Commission. The Idaho State Racing Commission. (7-1-93)

05. Decoder. A device and/or means to convert encrypted audio-visual signals and/or data into a form recognizable as the original content of the signals. (7-1-93)

06. Downlink. Receiving antenna coupled with an audio-visual signal receiver compatible with and capable of receiving simultaneous audio-visual signals and/or data emanating from a host association, and includes the electronic transfer of received signals from the receiving antenna to TV monitors within the satellite facility. (7-1-93)

07. Enclosure, Enclosure-Public. Includes all enclosed areas of the simulcast wagering facility. (7-1-93)

08. Encryption (Encrypted Or Encoded). The scrambling or other manipulation of the audio-visual signals to mask the original content of the signal and so cause such signals to be indecipherable and unrecognizable to any person receiving such signal. (7-1-93)

09. Guest, Guest Association Or Simulcast Operator. An association simulcast licensee authorized by the Commission to offer, sell, cash, redeem or exchange pari-mutuel tickets on races being run at a host

association. (7-1-93)

10. Host Or Host Association. The racing association conducting a licensed horse racing meeting when it is authorized by the Commission to simulcast its racing program. It may also be considered the sending track which means any track from which simulcast signals originate. (7-1-93)

11. Interstate Simulcast Wagering. Wagering conducted by a betting system outside the state of Idaho on the results of one (1) or more races being run at an Idaho host association or wagering conducted by a betting system within the state of Idaho on the results of one (1) or more races being run at a host association outside the state of Idaho. (7-1-93)

12. Intrastate Simulcasting Wagering. Pari-mutuel wagering at an Idaho guest association on Idaho horse racing events run at an Idaho host association. (7-1-93)

13. Out-Of-State Wagering. Acceptance of wagers by a host or guest association in Idaho on the results of races run at a race meeting outside the state of Idaho. Nothing in these rules shall be deemed to include acceptance of wagers by telephone, telegraph, radio, or in any manner other than in cash or other authorized method at a pari-mutuel machine operated by one authorized pursuant to Idaho law and these rules. (7-1-93)

14. Satellite Facility, Intrastate Wagering Facility, Extended Wagering Facility. The physical premises, structure and equipment utilized by a guest association for the conduct of pari-mutuel wagering on horse racing events being run elsewhere. Such facility must be a part of the license granted to the Guest or Host Association. (7-1-93)

15. Satellite Transponder, Transponder. Leased space segment time of an earth-orbit communication satellite. (7-1-93)

16. Simulcast. The simultaneous telecast of audio and visual signals of running horse races and other permitted pari-mutuel events conducted for the purposes of pari-mutuel wagering. (7-1-93)

17. Simulcast Operator. A person licensed by the Commission to operate a simulcast wagering system as is provided for by these rules. (7-1-98)

18. Simulcast Service Supplier. A person engaged in providing service, supplies or equipment necessary to the operation of intrastate, interstate or out-of-state simulcast wagering for use by a host association, guest association, simulcast operator, or authorized user, including pari-mutuel wagering terminals, uplink, downlink, television receivers and related equipment; but does not include persons authorized by the Federal Communications Commission to provide telephone service or space segment time on satellite transponders. (7-1-93)

19. Uplink. An earth station broadcasting facility, whether mobile or fixed, which is used to transmit audio-visual signals and/or data on FCC-controlled frequencies, and includes any electronic transfer of the audio-visual signals from within the racing enclosure to the location of the transmitter at the uplink. (7-1-93)

005. GENERAL JURISDICTION.
Simulcasting Of Races Within The State. The Idaho State Racing Commission shall have general jurisdiction over the simulcasting of horse and greyhound races within the state, and the Commission may issue rules in accordance with the provisions of this article as provided for in Idaho Statutes. (4-5-00)

006. -- 010. (RESERVED).

011. REQUIREMENTS FOR SIMULCAST FACILITIES.

01. General. Any racing association or corporation authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of pari-mutuel events on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for under these rules may apply to the Commission for a license. Applications for licenses shall be in such form as may be prescribed by the Commission and shall contain such information or other material or evidence as the Commission may require. The fee for such licenses shall be based

upon the weekly handle. If the handle is greater than thirty thousand dollars (\$30,000), the fee will be one hundred dollars (\$100) per race day payable by the licensee to the Commission, seventy-five dollars (\$75) of this fee will be paid to the Idaho State Racing Commission and twenty-five (\$25) will be deposited in the Public School Income Fund. If the weekly handle is at least fifteen thousand dollars (\$15,000), but less than thirty thousand dollars (\$30,000), the fee will be fifty dollars (\$50) per race day payable by the licensee to the Commission, twenty-five dollars (\$25) of this fee will be deposited in the Public School Income Fund and twenty-five dollars (\$25) will be deposited in the racing account. If the weekly handle is less than fifteen thousand dollars (\$15,000) the fee will be twenty-five dollars (\$25), which will be deposited in the Public School Income Fund. (7-1-98)

02. Review And Approve. Before the Commission may grant such license, it shall review and approve a plan of operation submitted by an applicant including, but not limited to the following information: (7-1-93)

a. A feasibility study denoting the revenue earnings expected from the simulcast facility and the costs expected to operate such a facility. The feasibility study shall include: (7-1-93)

i. The number of simulcast races to be displayed; (7-1-93)

ii. The types of wagering to be offered; (7-1-93)

iii. The level of attendance expected and the area from which such attendance will be drawn; (7-1-93)

iv. The level of anticipated wagering activity; (7-1-93)

v. The source and amount of revenues expected from other than pari-mutuel wagering; (7-1-93)

vi. The cost of operating the simulcast facility and the identification of costs to be amortized and the method of amortization of such costs; and (7-1-93)

vii. The probable impact of the proposed operation on revenues to local government. (7-1-93)

b. The security measures to be employed to protect the facility, to control crowds, to safeguard the transmission of wagering data to effectuate common wagering pools. (7-1-93)

c. The type of data processing, communication and transmission equipment to be utilized. (7-1-93)

d. The description of the management groups responsible for the operation of the simulcast facility. (7-1-93)

e. The system of accounts to maintain a separate record of revenues collected by the simulcast facility, the distribution of such revenues and the accounting of costs relative to the simulcast operation. (7-1-93)

f. The location of the facility and a written confirmation from appropriate local officials that the location of such facility and the number of patrons expected to occupy such facility are in compliance with all applicable local ordinances, along with approval by the Board of County Commissioners involved. (7-1-93)

03. Satellite Facilities. Satellite facilities shall provide the same information as required in Subsection 011.02. (7-1-93)

04. Criteria. The Commission shall use the following decisional criteria in the approval or disapproval of an application for simulcast operator. (7-1-93)

a. The operator's general benefit to the state of Idaho. (7-1-93)

b. The operator's general benefit to the state of Idaho's horse racing industry. (7-1-93)

c. The operator's integrity: (7-1-93)

- i. Individual and corporate conduct; (7-1-93)
- ii. Criminal history; and (7-1-93)
- iii. Betting and gaming industry conduct. (7-1-93)
- d. The operator's credibility: (7-1-93)
 - i. Accuracy of a feasibility study; and (7-1-93)
 - ii. Experience and expertise of the operator in the simulcast industry. (7-1-93)
- e. Financial stability. (7-1-93)

012. -- 025. (RESERVED).

026. DUTY OF ASSOCIATION TO OFFER EXTENDED WAGERING.

01. Contract. Every Idaho pari-mutuel track simulcasting its racing program shall contract with a simulcast operator (and/or simulcast service suppliers) for the purpose of providing authorized users with its simulcast. (7-1-93)

02. Content. A racing association is responsible for the content of its simulcast and shall use all reasonable effort to present a simulcast which offers the viewers an exemplary depiction of its racing program, a periodic display of wagering information, and continuity programming between horse racing events. (7-1-93)

03. Video. Unless otherwise permitted by the Commission, every simulcast will contain in its video content a digital display of the actual time of day, the name of the race track from where it emanates, the number of the race being displayed and the sequential fractional time of the race as the race is being run. (7-1-93)

027. -- 029. (RESERVED).

030. LICENSES FOR SIMULCAST OPERATORS.

01. License. Every person acting as a simulcast operator within Idaho shall procure a license from the Commission and no person shall act in the capacity of a simulcast operator without a valid license. Such license may be renewed annually unless the application is denied for any cause justifying suspension or revocation of license for violation of these rules. (7-1-93)

- a. Submits a financial statement as required by the Idaho State Racing Commission. (7-1-93)
- b. Post with the Commission a surety in the amount and in such form as the Commission may require, sufficient to ensure payment of distributable amounts of pari-mutuel pools pursuant to statute, operational costs, salaries, wages, benefits, and related financial obligations. (7-1-93)
- c. Demonstrates experience and/or adequate knowledge of the conduct of simulcast wagering and/or pari-mutuel wagering operations. (7-1-93)

02. Granting Restrictions. (7-1-93)

a. No license as simulcast operator shall be granted to a person or entity who has failed, refused or neglected to comply with any rule, condition of license, or order of the Commission or its stewards reasonably related to its conduct as a simulcast operator, or who has engaged in any activity which is grounds for denial, suspension or revocation of license pursuant to the rules of the Commission or whose general partners, officers, directors, or employees have engaged in any unlawful activity determined to be conduct detrimental to the best interest of horseracing. (7-1-93)

b. Additionally, no license as simulcast operator shall be granted to a person or entity who has failed, refused or neglected to enter into an agreement with a Horsemen's group as defined by Section 54-2502, Idaho Code. (7-1-98)

03. No Limitation. There shall be no limitation as to the number of days a licensee may operate except as may otherwise be provided for within these rules or the Idaho Code. (7-1-93)

031. -- 034. (RESERVED).

035. DUTIES OF SIMULCAST OPERATOR.

01. General. A simulcast operator conducts and operates a pari-mutuel wagering system at one (1) or more guest associations on the results of horse races being held or conducted and simulcast from the enclosures of one or more host associations pursuant to its agreement with such guest and host association and with the approval of the Commission. (7-1-93)

02. Provisions. A simulcast operator shall provide: (7-1-93)

a. Adequate transmitting and/or receiving equipment which shall not interfere with the closed circuit TV system of the host track association for officiating any on-track patron information. All to be acceptable broadcast quality and meet applicable Federal Communication Commission and Commission rules and orders. Said equipment may include approved microwave transmitters, with appropriate safeguards, as approved by the Commission. (7-1-93)

b. Pari-mutuel terminals, pari-mutuel odds display, modems and/or switching units enabling pari-mutuel data transmissions, and data communication between the sending and the receiving associations. (7-1-98)

c. A voice communication system between each guest association and the host association providing direct voice contact among the stewards, placing judges and/or pari-mutuel departments. (7-1-93)

03. Wagering. A simulcast operator shall conduct the pari-mutuel wagering at a guest association pursuant to the applicable Commission rules. (7-1-93)

04. Pari-Mutuel Inspector. The Commission shall appoint at least one (1) pari-mutuel inspector to supervise the operation of the pari-mutuel of all approved simulcast facilities and may require additional pari-mutuel inspectors as is reasonably necessary for the protection of the public interest. (7-1-98)

05. Video Record. The simulcast operator shall, for a period of one (1) year, retain a video record of all simulcasts, in decoded form, and shall provide a copy of such record on a one-half (1/2) inch V.H.S. video cassette to the Commission, or have the ability to acquire such record from the host track upon request. (7-1-93)

06. Test Program. Not less than thirty (30) minutes prior to the commencement of transmission of the racing program for each day or night, the simulcast operator shall initiate a test program of its transmitter, encryption and decoding, and data communication to assure proper operation of the system. (7-1-93)

07. Display. The simulcast operator shall, at the request of any representative of the Commission, display a listing of all locations within this state enabled to receive the simulcast in decoded forms; and failure to do so is grounds for immediate summary suspension of license and immediate cessation of simulcasting activities. (7-1-93)

08. Security. The simulcast operator shall maintain such security controls over its uplink and communications system as directed by the Commission. (7-1-93)

09. Report. The simulcast operator shall, in conjunction with the host association or associations for which it operates pari-mutuel wagering, provide the Commission with a certified report of its pari-mutuel operations as directed by the Commission. (7-1-93)

10. Filing. Every simulcast operator shall file with the Commission an annual report of its simulcast operations and an audited financial statement. (7-1-93)

11. Compliance. The simulcast operator shall comply with Section 54-2512, Idaho Code. (7-1-93)

036. OUT-OF-STATE AND INTERSTATE WAGERING.

01. General. When conducting out-of-state and Interstate wagering, the following conditions shall also apply: (7-1-93)

a. A racing association, guest association, or simulcast operator may conduct a simulcast wagering on the results of one (1) or more races conducted by an out-of-state racing association provided: (7-1-93)

i. The association intending to conduct wagering on an out-of-state race files with the Commission a copy of the agreement with the out-of-state association and a completed simulcast application. The application will be provided and approved by the Commission. At a minimum the application will require the applicant to provide the following information: (7-1-98)

(1) The number of live races ran in the current year: (7-1-98)

(2) The number of live races ran in the preceding year: (7-1-98)

(3) Documentation that the required bond has been posted: (7-1-98)

(4) Documentation that the appropriate public liability insurance has been obtained; (7-1-98)

(5) A signed approval letter from the Appropriate County Commissioners; (7-1-98)

(6) A signed Contract from a local horsemen's group. The horsemen's group must be one which meets the definition of a horsemen's group as delineated in Section 54-2502, Idaho Code. The contract must not be in conflict with any of the provisions of Sections 3001 through 3007, of Title 15 of the United States Code or any other federal laws; (7-1-98)

(7) A statement setting forth the date and time it intends to commence accepting wagers on out-of-state race or races; and (7-1-98)

(8) Any other written or oral approvals required by the Commission. (7-1-98)

ii. The Commission approves the methods by which the out-of-state association intends to transmit the simulcast of its race or races and the restrictions, if any, placed on the use of such simulcast, and the methods to be used to assure a separate voice communication system between its steward and the stewards or placing judges at the track where the race or races are held. (7-1-93)

b. A racing association may authorize use of its simulcast for interstate wagering by out-of-state betting systems provided: (7-1-93)

i. The association files with the Commission a copy of the agreement with the out-of-state betting system which sets forth the payment to the association for use of its simulcast, and of any agreements required by Chapter 57, including Section 3001, of Title 15 of the United States Code. (7-1-93)

02. Permitted. Wagering shall be permitted only on races conducted at approved locations at pari-mutuel tracks governed by a state racing commission, racing board or other governmental agency. (7-1-93)

03. Interruption. If a simulcasting facility has an interruption in its audio-visual signal, the race may be deemed no contest at the discretion of the assigned steward and all wagers at the facility in such instances shall be refunded. (7-1-93)

04. Results. All wagers are made on the official results of the hosting track. (7-1-93)

037. PROHIBITION OF SIMULCAST SIGNAL.

Pertaining to the simulcasting of greyhound racing, should substantial, competent evidence of cruelty to, or misconduct in the treatment of, greyhounds occur at a site under the jurisdiction of another state regulatory agency, the Commission shall prohibit the retransmission of any and all simulcast signals until appropriate action has been taken by the other state regulatory agency. (4-5-00)

038. -- 039. (RESERVED).

040. DISTRIBUTION OF DEPOSITS.

With regard to the distribution of deposits generated by simulcast races, the Commission adopts by reference Idaho Code Section 54-2507 and 54-2513, as applicable. (7-1-98)

041. CONFLICT OF LAWS.

In the event of a conflict between the laws of the host track and the laws or rules of the state of Idaho, the laws or rules of the state of Idaho shall apply. (7-1-93)

042. -- 999. (RESERVED).

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