

IDAPA 11 – IDAHO STATE POLICE

Idaho State Racing Commission

11.04.02 Rules Governing Simulcasting

Who does this rule apply to?

Racing officials/stewards, Idaho State Racing Commission, racing owners/participants/jockeys, industry associations/stakeholders, and members of the general public who engage in betting/wagering

What is the purpose of this rule?

These rules provide regulatory safeguards for the integrity of imminent horse races, the safety of horses and personnel involved in races, and the prevention of monetary fraud upon racing industry members and the public. They also create consistent enforcement during racing seasons on all those involved in those races.

What is the legal authority for the agency to promulgate this rule?

This rule implements the following statutes passed by the Idaho Legislature:

Professions, Vocations, and Businesses -

Horse Racing:

- [Section 54-2506, Idaho Code](#) – Duties of Commission and Licensees — License Fee
- [Section 54-2507, Idaho Code](#) – Authority of commission
- [Section 54-2508, Idaho Code](#) – License – Application therefor – Type and Number of Races — Fee per day — Refund — Cancellation — Hearing — Simulcast Purse Moneys Fund
- [Section 54-2509, Idaho Code](#) – Penalty for Violations of Law — Power of Commission
- [Section 54-2512, Idaho Code](#) – Pari-Mutuel Betting — Other Betting Illegal
- [Section 54-2513, Idaho Code](#) – Horse Racing — Distributions of Deposits — Breakage
- [Section 54-2514, Idaho Code](#) – Dog Racing — Distribution of Deposits — Breakage

Who do I contact for more information on this rule?

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IDAPA 11 – IDAHO STATE POLICE RACING COMMISSION

11.04.02 – RULES GOVERNING SIMULCASTING

000. LEGAL AUTHORITY.

This chapter is adopted pursuant to the legal authority of Title 54, Chapter 25, Idaho Code. (3-25-22)

001. SCOPE.

These rules regulate simulcasting within Idaho and all aspects of simulcasting. (3-25-22)

002. -- 009. (RESERVED)

010. DEFINITIONS.

In addition to the definitions in Title 54, Chapter 25, Idaho Code, the following apply: (3-25-22)

01. Authorized User. A person authorized by the Racing Commission to receive, decode, and use for legal purposes the encrypted simulcast signal of pari-mutuel events. (3-25-22)

02. Breakage. The odd cents rounded down to the lowest multiple of ten cents (\$.10) in a positive pool and down to the lowest multiple of five cents (\$.05) in a minus pool. (3-25-22)

03. Downlink. A receiving antenna coupled with an audio-visual signal receiver that is compatible with and capable of receiving simultaneous audio-visual signals or data emanating from a host association. This includes the electronic transfer of received signals from the receiving antenna to TV monitors within the satellite facility. (3-25-22)

04. Enclosure, Enclosure-Public. Includes all enclosed areas of the simulcast wagering facility. (3-25-22)

05. Encryption. 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. (3-25-22)

06. Guest, Guest Association or Simulcast Operator. A simulcast licensee authorized by the Racing Commission to offer, sell, cash, redeem or exchange pari-mutuel tickets on races being run at a host association. (3-25-22)

07. Handle or Gross Handle. Total amount of money wagered on a race less refunds and cancels. (3-25-22)

08. Horse. Includes filly, mare, colt, horse or gelding in general; when referring to sex, filly becomes a mare when five (5) years old; a horse is an intact male when five (5) years old or older. (3-25-22)

09. Host or Host Association. The racing association conducting a licensed horse racing meeting when it is authorized by the Racing Commission to simulcast its racing program. It may also be considered the sending track which means any track from which simulcast signals originate. (3-25-22)

10. Hub. A facility that acts as an intermediary between pari-mutuel wagering facilities for the transmission of wagering data and that is responsible for generating all reports necessary for the reconciliation of payments. (3-25-22)

11. Intrastate Simulcasting Wagering. Pari-mutuel wagering at an Idaho guest association on Idaho horse racing events run at an Idaho host association. (3-25-22)

12. Racing Association. Any person licensed by the Racing Commission to conduct a race meet and pari-mutuel wagering. (3-25-22)

13. Simulcast Facility. The physical premises, structure and equipment utilized by a guest or host association for conducting pari-mutuel wagering on horse racing events and permitted pari-mutuel events. Such facility must be a part of the license granted to the guest or host association. (3-25-22)

- 14. Simulcast Service Supplier.** (3-25-22)
- a.** 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. (3-25-22)
- b.** It does not include persons authorized by the Federal Communications Commission to provide telephone service or space segment time on satellite transponders. (3-25-22)
- 15. Satellite Transponder, Transponder.** Leased space segment time of an earth-orbit communication satellite. (3-25-22)
- 16. Take or Takeout.** Money deducted from mutuel pools that is shared by the track and local and state governing bodies in the form of a tax. (3-25-22)
- 17. Terminal.** The device connected to the pari-mutuel system used to place wagers. (3-25-22)
- 18. Totalizator.** A computer that, directly or indirectly through one (1) or more other totalizators, receives pari-mutuel wagering information, calculates pay-offs for winning tickets and generates reports with respect to such information, and may refer to the linked computers of the hub and the track. (3-25-22)
- 19. Uplink.** An earth station broadcasting facility, whether mobile or fixed, which is used to transmit audio-visual signals or data on Federal Communication Commission-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. (3-25-22)

011. -- 014. (RESERVED)

015. REQUIREMENTS FOR LICENSURE OF A SIMULCAST FACILITY.

- 01. General.** Any racing association or simulcast operator authorized under these rules to conduct pari-mutuel wagering who desires to display the simulcast of pari-mutuel events on which pari-mutuel betting will be permitted, in the manner and subject to the conditions provided for under these rules, may apply to the Racing Commission for a license. (3-25-22)
- 02. Application for License.** The application for a license must be in such form as may be prescribed by the Racing Commission and contain such information or other material or evidence as the Racing Commission may require. (3-25-22)
- 03. Daily Simulcast License Fee.** The fee for such license is based upon the weekly handle. (3-25-22)
- a.** If the handle is greater than thirty thousand dollars (\$30,000), the fee will be one hundred dollars (\$100) per day of simulcast operation payable by the licensee to the Racing 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. (3-25-22)
- b.** 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 day of simulcast operation payable by the licensee to the Racing Commission. Twenty-five dollars (\$25) of this fee will be deposited in the Public School Income Fund and twenty-five dollars (\$25) will be paid to the Idaho State Racing Commission. (3-25-22)
- c.** 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. (3-25-22)
- 04. Review and Approve.** Before the Racing Commission grants such license, it will review and

approve a plan of operation submitted with a license application including, but not limited to, the following information: (3-25-22)

- 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 includes: (3-25-22)
 - i.** The number of simulcast races to be displayed; (3-25-22)
 - ii.** The types of wagering to be offered; (3-25-22)
 - iii.** The level of attendance expected and the area from which such attendance will be drawn;(3-25-22)
 - iv.** The level of anticipated wagering activity; (3-25-22)
 - v.** The source and amount of revenues expected from other than pari-mutuel wagering; (3-25-22)
 - 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 (3-25-22)
 - vii.** The probable impact of the proposed operation on revenues to local government. (3-25-22)
- 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. (3-25-22)
- c.** The type of data processing, communication and transmission equipment to be utilized. (3-25-22)
- d.** The description of the management groups responsible for the operation of the simulcast facility. (3-25-22)
- 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. (3-25-22)
- 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 appropriate county or city officials. (3-25-22)

016. CRITERIA FOR APPROVAL OF APPLICATION FOR SIMULCAST OPERATOR.

The Racing Commission uses the following decisional criteria in the approval or disapproval of an application for simulcast operator. (3-25-22)

- 01. General Benefit to the State.** The operator's general benefit to the state of Idaho. (3-25-22)
- 02. General Benefit to Horse Racing Industry.** The operator's general benefit to the state of Idaho's horse racing industry. (3-25-22)
- 03. Operator's Integrity.** The operator's integrity, including: (3-25-22)
 - a.** Individual and corporate conduct; (3-25-22)
 - b.** Criminal history; and (3-25-22)
 - c.** Betting and gaming industry conduct. (3-25-22)
- 04. Operator's Credibility.** The operator's credibility, including: (3-25-22)
 - a.** Accuracy of a feasibility study; and (3-25-22)

- b.** Experience and expertise of the operator in the simulcast industry. (3-25-22)
- 05. Financial Stability.** The operator's financial stability. (3-25-22)

017. -- 025. (RESERVED)

026. HOST ASSOCIATION.

01. Contract. Subject to Racing Commission approval of a simulcast contract, a host association licensed by the Racing Commission may simulcast its horse races to intrastate, interstate and out-of-state authorized users for the purpose of pari-mutuel wagering. (3-25-22)

02. Content. A racing association is responsible for the content of its simulcast and needs to use all reasonable effort to present a simulcast that offers the viewers an exemplary depiction of its racing program, a periodic display of wagering information, and continuity programming between horse racing events. (3-25-22)

03. Video. Unless otherwise permitted by the Racing Commission, every simulcast needs to contain in its video content a digital display of the actual time of day, the name of the host facility from where it emanates, the number of the horse race being displayed, and the minutes to post. (3-25-22)

04. Security Controls. As a condition of contract approval, or when deemed necessary by the Racing Commission, the host association may need to provide and maintain security controls, including encryption over its uplink and communications systems. (3-25-22)

027. GUEST ASSOCIATIONS.

01. Contract Approval. Guest racing associations that are licensed by the Racing Commission and subject to contract approval by the Racing Commission may receive simulcast races for the purpose of pari-mutuel wagering from one (1) or more host associations. (3-25-22)

02. Plan for Testing. A plan that is subject to approval by the Racing Commission must be submitted by a guest racing association for testing the transmission, encryption and decoding, and data communication to assure proper system function prior to the commencement of each simulcast program or race from a host association. (3-25-22)

028. INTERSTATE COMMON POOL WAGERING.

Subject to contract approval by the Racing Commission, a racing association may participate in common pool wagering by accepting wagers placed in other jurisdictions or by offering wagers on races run in other jurisdictions. Contract approval requirements include, but may not be limited to, the following: (3-25-22)

01. Licensing Requirement. A contract to participate in interstate common pool wagering must include evidence that the authorized user in the other jurisdiction is licensed or otherwise authorized or approved by the pari-mutuel authority or equivalent in that jurisdiction. (3-25-22)

02. Pari-Mutuel Systems Requirement. A contract to participate in interstate common pool wagering must: (3-25-22)

a. Include evidence that the authorized user in the other jurisdiction utilizes a pari-mutuel wagering system fully compliant with requirements for totalizator systems used by licensed racing associations in Idaho; (3-25-22)

b. Specify the regulatory authority responsible for granting a license to the racing association serving as host for purposes of aggregation of common pool wagering; (3-25-22)

c. Specify the name and location of the racing association that is the host for the common pool, and the individuals and contact information for matters relating to the contract and common pool wagering; and (3-25-22)

d. Specify the name of the totalizator company, location of the totalizator facility utilized to receive wagers and aggregate pools for the purpose of common pool wagering and the individuals and contact information for matters relating to the contract and common pool wagering. (3-25-22)

03. Access to Reports and Wagering Information Requirement. A contract to participate in interstate common pool wagering must include evidence that the authorized user in the other jurisdiction will provide full and prompt access to, and cooperation in providing, all reports and information that may be requested by the Racing Commission. This includes wagering transaction data in either a hard copy report or a standard electronic data format acceptable to the Racing Commission. Such requirement apply to all wagering on races run in Idaho and all wagering pools that accept wagers placed from Idaho. (3-25-22)

04. Breakage. The contract must include provisions specifying the distribution of breakage consistent with the requirement for wagers placed in Idaho. (3-25-22)

029. NET POOL PRICING.

01. Takeout Rates. If takeout rates are not the same for all jurisdictions and net pool pricing is utilized, the contract must specify net pool pricing. (3-25-22)

a. Individual wagering transactions are deemed to be made at the point of sale in the state where placed unless otherwise specified by statute or court ruling. (3-25-22)

b. Any surcharges or withholdings in addition to the takeout may only be applied in the jurisdiction otherwise imposing such surcharges or withholdings. (3-25-22)

c. In determining whether to approve an interstate common pool which does not include the host track or which includes races from more than one racing association, the Racing Commission will consider and may approve use of a bet type which is not utilized at the host association, application of a takeout rate not in effect at the live event track, or other factors which are presented to the Racing Commission. (3-25-22)

d. The content and format of the visual display of racing and wagering information at facilities in other jurisdictions where wagering is permitted in the interstate common pool need not be identical to the similar information permitted or required to be displayed under these rules. (3-25-22)

02. Guest Participation in Interstate Common Pools. (3-25-22)

a. The Racing Commission may approve a takeout from the pari-mutuel pools identical to that of other jurisdictions participating in a merged pool. (3-25-22)

b. Rules, either Live or Historic, as established in the host state will apply to the merged pool. (3-25-22)

c. The simulcast operator must designate which one of the following procedures it will use if it becomes impossible to successfully merge the corresponding pools into the interstate common pool, and publish their designated procedure in the printed program: (3-25-22)

i. Compute payouts in accordance with payout prices that would have been in effect if prices for the pool of bets were calculated without regard to wagers placed elsewhere; or (3-25-22)

ii. With permission of the Racing Commission, pay winning tickets at the payout prices at the host track; or (3-25-22)

iii. Declare such accepted bets void and make refunds in accordance with the applicable rules. (3-25-22)

030. HOST PARTICIPATING IN INTERSTATE COMMON POOLS.

01. Rules of Racing Established. Rules of racing established for races held in Idaho will also apply to interstate common pools unless the Racing Commission has specifically determined otherwise. (3-25-22)

02. When Impossible to Merge Pools. Any contract for interstate common pools must contain a provision that states that if, for any reason, it becomes impossible to successfully accept placed wagers or to merge corresponding pools into the interstate common pool formed by the pari-mutuel pool host and the Racing Commission's or the pari-mutuel pool host's representative determines that accepting wagers or attempting to effect transfer of pool data from the guest association may endanger the integrity of the pool or the timely processing of payouts, the pari-mutuel pool host will have no liability for guest's wagers or corresponding pools not being accepted into the host pool. (3-25-22)

031. -- 034. (RESERVED)

035. LICENSES FOR SIMULCAST OPERATORS.

01. License. Every person acting as a simulcast operator within Idaho must procure a license from the Racing Commission and no person will 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 that justifies the suspension or revocation of the license for violation of these rules. (3-25-22)

02. Responsibilities of Applicant. Each applicant must: (3-25-22)

a. Submit a financial statement as required by the Idaho State Racing Commission; (3-25-22)

b. Post with the Racing Commission a surety, in the amount and in such form as the Racing Commission may require, that is sufficient to ensure payment of distributable amounts of pari-mutuel pools pursuant to statute, operational costs, salaries, wages, benefits, and related financial obligations; and (3-25-22)

c. Demonstrate experience or adequate knowledge of the conduct of simulcast wagering or pari-mutuel wagering operations. (3-25-22)

03. Simulcast License Application. The simulcast operator intending to conduct wagering on an out-of-state race must file with the Racing Commission a completed simulcast application. The application will be provided and approved by the Racing Commission. At a minimum the application will require the applicant to provide the following information: (3-25-22)

a. The number of live races projected in the current year; (3-25-22)

b. The number of live races run in the preceding year; (3-25-22)

c. Documentation that the required bond has been posted; (3-25-22)

d. Documentation that the appropriate public liability insurance has been obtained; (3-25-22)

e. Evidence of approval from the appropriate county or city officials; (3-25-22)

f. A signed contract from a local horsemen's group. The horsemen's group must be one that meets the definition of a horsemen's group as defined in Section 54-2502, Idaho Code. The contract cannot conflict with any of the provisions of Sections 3001 through 3007 of Title 15 of the United States Code or any other federal laws; (3-25-22)

g. A statement setting forth the date and time it intends to commence accepting wagers on out-of-state race or races; and (3-25-22)

h. Any other written or oral approvals required by the Racing Commission. (3-25-22)

04. Restrictions. (3-25-22)

a. No license will be granted to any person or entity that has failed, refused or neglected to comply with any rule, condition of license, or order of the Racing Commission or its stewards that is reasonably related to its conduct as a simulcast operator. (3-25-22)

b. No license will be granted to any person or entity that has engaged in any activity that is grounds for denial, suspension or revocation of license pursuant to the rules of the Racing 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. (3-25-22)

c. Additionally, no license will be granted to a person or entity that has failed, refused or neglected to enter into an agreement with a horsemen's group as defined in Section 54-2502, Idaho Code. (3-25-22)

05. No Limitation. There will 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. (3-25-22)

036. SIMULCAST PURSE MONEY COLLECTION AND DISTRIBUTION.

01. Designated Purse Monies. Each simulcast operator licensed by the Racing Commission must remit to the Racing Commission those monies designated by the horsemen's agreement as purse monies. Payment must be made on a timely basis as provided in said agreement which will in no event be greater than thirty (30) days after accrual to the simulcast facility. (3-25-22)

02. Dual Signature Insured Account. Each horsemen's group signatory to a horsemen's agreement authorizing simulcasting must open and maintain a dual signature insured account, hereinafter called a "purse accumulation account." (3-25-22)

03. Deposit into Appropriate Account. Prior to commencement of the live race meet, the Racing Commission will annually deposit into the appropriate purse accumulation account those funds paid to the Racing Commission by the respective simulcast operator(s). The Racing Commission has the authority to approve more frequent payments, if requested by said horseman's group. (3-25-22)

04. Sanctions. In addition to all available sanctions, any person or licensee who receives monies designated as purse monies as described in these rules, and who violates these rules, can be ordered to pay a monetary penalty as set forth in Section 54-2509(4), Idaho Code, and daily interest accrued thereupon at the rate set by the Idaho State Treasurer. (3-25-22)

037. -- 039. (RESERVED)

040. 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 (1) or more host associations pursuant to its agreement with such guest and host association and with the approval of the Racing Commission. (3-25-22)

02. Provisions. A simulcast operator must provide: (3-25-22)

a. Adequate transmitting or receiving equipment that does not interfere with the closed circuit TV system of the host association. All equipment must be of acceptable broadcast quality and meet applicable Federal Communications Commission and Racing Commission rules and orders. Said equipment may include approved microwave transmitters, with appropriate safeguards, as approved by the Racing Commission. (3-25-22)

b. Pari-mutuel terminals, pari-mutuel odds display, modems or switching units enabling pari-mutuel data transmissions, and data communication between the sending and the receiving racing associations. (3-25-22)

03. Pari-Mutuel Inspector. The Racing Commission will appoint at least one (1) state pari-mutuel inspector to monitor all approved simulcast facilities and may require additional pari-mutuel inspectors as is reasonably necessary for the protection of the public interest. The state pari-mutuel inspector, as well as a member or members of the Racing Commission, must: (3-25-22)

a. Be given free access to all of the books, papers and records of the simulcast operator's simulcast operations during normal business hours. (3-25-22)

b. Be empowered to direct the simulcast operator to adopt such rules and to install such methods and systems of operating the mutuel department as may be deemed reasonably necessary so as to ensure compliance with the law and the rules of the Racing Commission. (3-25-22)

c. The state pari-mutuel inspector must report to the Racing Commission any failure of the licensee to comply with the provision hereof or any violation of the law or any of the rules of the Racing Commission which may come to his attention, including in his reports, recommendations with respect to the revocation of the licenses of any employee of the simulcast operator for failure to comply with the rules of the Racing Commission, or for fraud, dishonesty, or incompetency. (3-25-22)

04. Video Record. Upon the request of the Racing Commission the simulcast operator must make its best effort to provide the Racing Commission with a copy of the simulcast race requested. (3-25-22)

05. 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 must initiate a test program of its transmitter, encryption and decoding, and data communication to assure proper operation of the system. (3-25-22)

06. Locations Listing. At the request of any representative of the Racing Commission the Racing Association must provide a listing of all locations within this state enabled to receive the simulcast in decoded forms. Failure to do so is grounds for immediate summary suspension of license and immediate cessation of simulcasting activities. (3-25-22)

07. Security. The Racing Association must maintain such security controls over its uplink and communications system as directed by the Racing Commission. (3-25-22)

08. Filing. Every simulcast operator at the request of the Racing Commission must file an annual report of its simulcast operations, and an audited balance sheet and income statement prepared according to Generally Accepted Accounting Principles. (3-25-22)

09. Compliance. The simulcast operator must comply with Section 54-2512, Idaho Code. (3-25-22)

041. 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 Racing Commission will prohibit the retransmission of any and all simulcast signals until appropriate action has been taken by the other state regulatory agency. (3-25-22)

042. -- 045. (RESERVED)

046. 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 will apply. (3-25-22)

047. TOTALIZATOR OR OTHER APPROVED EQUIPMENT.

Pari-mutuel wagering on live horse races may only be conducted through the use of a totalizator or other similar mechanical equipment approved by the Commission. (3-25-22)

048. -- 999. (RESERVED)