

Minnesota Attorney General: Administrative Rules Proceedings

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Version 3
August 20, 2018

RULE REVIEW CHECKLIST

File No. RR 1367 Docket No. 05-0009-0733

DATE RECEIVED 5-13-87
REVIEW DATE 5-22-87
DUE DATE 5-27-87

ADOPTED W/O HEARING X
EMERGENCY RULE

APPROVED
DISAPPROVED
WITHDRAWN

REVISOR APPROVED
REVISOR DISAPPROVED
FILED W/SEC. STATE
RETURNED TO AGENCY

✓ Rule as adopted (4 copies) 5/6/87

~~Notice to Solicit Outside Information/Opinion~~
~~Date published in State Register~~
~~Comments~~

~~Petition for Adoption of a Rule~~

✓ Board's Authorizing Resolution

✓ Proposed rule None - called Revisor's Certificate

✓ Notice of Intent to Adopt Rule
240.23 Statutory Authority
yes Small business statement
Yes Expenditure of public money statement
yes Signature

✓ Statement of Need and Reasonableness

✓ Affidavit of Mailing Notice of Intent to Adopt Rule ~~called~~
3/12/87 Date (30)/25 days before adoption

✓ Publication in State Register
3/32/87 Date (30)/25 days before adoption

✓ Resolution Adopting

✓ Findings of Fact, Conclusions & Order Adopting
5/13/87 Date

✓ Written requests, submissions or comments

✓ Declaration of attorney
Mary Magnuson Name of SAAG representing agency

~~Notice of Submission to Attorney General~~

✓ Affidavit of Additional Notice
~~Affidavit of Mailing Notice to Attorney General~~

SF-00006-05 (4/86)

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT : ATTORNEY GENERAL

DATE : May 29, 1987

TO : Mary Magnuson
Special Assistant
Attorney General

FROM : Martha Casserly
Special Assistant
Attorney General

PHONE : 6-6204

SUBJECT : In the Matter of the Adopted Rule Relating to Regulation of Horse Racing

The above-referenced rule has been approved as to its legality by the Attorney General on May 26, 1987.

Enclosed is the agency's copy of the approved rule. This office has already filed two copies with the Secretary of State, who will forward one copy to the Revisor of Statutes. The fourth is being retained by this division of the Attorney General's Office for its records.

Also enclosed are any petitions, requests, submission or comments received by the agency and any extra copies of documents which the agency submitted to the Attorney General.

In order for a permanent rule without a hearing to become effective, your agency must publish a notice of adoption in the State Register in accordance with Minn. Stat. § 14.27. An emergency rule becomes effective five working days after approval by the Attorney General; however, the agency must publish a notice in the State Register in accordance with Minn. Stat. § 14.34.

If you have any questions in this regard, please contact me.

MJC:nah

Enclosures

cc: Maryanne Hruby
Executive Director
Legislative Commission to Review
Adminsitrative Rules

Duane Harves
Chief Administrative Law Judge
Office of Administrative Hearings

Minnesota Racing Commission

Adopted Permanent Rules Relating to the Regulation of Horse Racing

Rules as Adopted

7869.0100 DEFINITIONS.

Subpart 1. to 50. [Unchanged.]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

A. to J. [Unchanged.]

K. "Race on the flat" means a race over a course in which no jumps or other obstacles are placed.

L. "Restricted race" means a race required pursuant to Minnesota Statutes, section 240.29.

M. "Stakes race" or "sweepstakes race" means a race to which nominators of the engaged entries contribute to a purse, and to which money or any other award may be added. No overnight race, regardless of its conditions, may be deemed a stakes race.

N. "Time trial" means a race against time for the purpose of establishing a performance record.

Subp. 52. to 69. [Unchanged.]

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

A. a fully equipped first aid room with at least two beds;

B. a licensed physician and registered nurse on duty in the first aid room on all days during which horse racing is conducted; and

C. an ambulance for humans with necessary equipment and staff whenever the facility is open for racing or exercising

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horses.

7873.0130 PREVENTION TO START.

In a thoroughbred or quarter horse race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

A. If any horse is so prevented from starting, the entire amount in the win, place, and show pools wagered on that horse shall be promptly refunded unless the horse finishes first, second, or third, in which case the horse shall be considered a starter for all straight pools in which the horse earned a placing and a non-starter in all other straight pools. However, there shall be no refund if the horse is part of a coupled entry or field.

B. If any horse is so prevented from starting, the entire amount in the exacta pool wagered on that horse shall be promptly refunded unless the horse finishes first or second, in which case the horse shall be considered a starter for the exacta pool in which the horse earned a placing. However, there shall be no refund if the horse is a part of a coupled entry or field.

C. [Unchanged.]

7873.0190 PICK SIX.

Subpart 1. to 5. [Unchanged.]

Subp. 6. **Calculation of pool.** The pick six pari-mutuel pool shall be calculated as follows:

A. and B. [Unchanged.]

C. Should no distribution be made pursuant to item A on the last day of the association's meeting, then the entire distributable pool and all money accumulated in the pool shall be distributed to the holders of tickets correctly designating the most winning selections of the six races comprising the pick six for that day. If, for any reason, the final day of racing

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is canceled or the pick six pool has not been distributed, the pool shall be escrowed by the association, and the pool, as well as all accrued interest, shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 7. and 8. [Unchanged.]

Subp. 9. **Cancellation of race comprising pick six.** In the event one or more of the races comprising the pick six is canceled for any reason, or in the event one or more of the races comprising the pick six is declared as no contest by the stewards, 75 percent of the pari-mutuel pool shall not be distributed but shall be retained by the association as distributable amounts and shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed. The remaining 25 percent shall be distributed among the holders of pick six tickets which correctly designate the most official winners of the remaining races comprising the pick six. In the event of the cancellation of all six races comprising the pick six pool after wagering has been accepted on that day, a full and complete refund must be made of the pari-mutuel tickets sold on the pick six on that day. One hundred percent of the remaining amount in the pick six pari-mutuel pool shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 10. [Unchanged.]

7873.0191 PICK THREE.

Subpart 1. **Scope.** The pick three pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place, and show pool shown on the totalizator board, nor to the rules governing the distribution of such other pools.

Subp. 2. **Ticket is evidence of binding contract.** A pick three ticket shall be evidence of a binding contract between the

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holder of the ticket and the racing association and the ticket shall constitute an acceptance of the pick three provisions and rules.

Subp. 3. **Pick three may be given a distinctive name.** A pick three may be given a distinctive name to be selected by the association conducting these races, subject to the approval of the commission.

Subp. 4. **Pick three pool.** The pick three pari-mutuel pool consists of amounts contributed for a selection for win only in each of three races designated by the association with the approval of the commission. Each person purchasing a pick three ticket shall designate the winning horse in each of the three races comprising the pick three.

Subp. 5. **Coupled entries and fields.** Those horses constituting an entry of coupled horses or those horses coupled to constitute the mutuel field in a race comprising the pick three, shall race as a single wagering interest for the purpose of the pick three pari-mutuel pool calculations and payouts to the public. However, if any part of either an entry or the field racing as a single wagering interest is a starter in a race, the entry or the field selection shall remain as the designated selection to win in that race for the pick three calculation, and the selection shall not be deemed a scratch.

Subp. 6. **Calculation of pool.** The pick three pari-mutuel pool shall be calculated as follows:

A. One hundred percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the official winner in each of the three races comprising the pick three.

B. In the event no pari-mutuel ticket is sold combining the three winners of the pick three, 100 percent of the net amount in the pari-mutuel pool shall be distributed among the holders of pari-mutuel tickets which include the winners of two of the three races comprising the pick three.

C. In the event no pari-mutuel ticket is sold

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combining two winners of the pick three, 100 percent of the net amount in the pari-mutuel pool shall be distributed among holders of pari-mutuel tickets which include the winner of any one race comprising the pick three.

D. In the event no pari-mutuel ticket is sold that would require distribution of the pick three pool to a winner under this part, 100 percent of the net amount in the pick three pari-mutuel pool shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

E. If, for any reason, the final day of racing is canceled or the pick three pool has not been distributed, the pool shall be escrowed by the association, and the pool, as well as all accrued interest, shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 7. **Cancellation of races comprising pick three.** If for any reason one or two of the races comprising the pick three is canceled, the net amount of the pari-mutuel pool shall be distributed as provided in subpart 6, items B, C, and D.

If for any reason all of the races comprising the pick three are canceled, a full and complete refund must be made of the pari-mutuel tickets sold on the pick three on that day. One hundred percent of the remaining amount in the pick three pari-mutuel pool shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

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Subp. 9. **Dead heats.** In the event of a dead heat for win between two or more horses in any pick three race, all the horses in the dead heat for win shall be considered as winning horses in the race for the purpose of calculating the pool.

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, item B, and no person shall disclose the number of tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

Subp. 11. **Announcement of payoff prices.** After the second of the three races comprising the pick three has been declared official, an association may, with the approval of the commission, post possible payoff prices to the public before the start of the third race of the pick three.

7873.0195 DISTRIBUTION OF PICK SIX AND PICK THREE POOLS.

The commission may authorize the distribution or carry over of the pick six pool according to part 7873.0190, subpart 6 and the pick three pool according to part 7873.0191, subpart 6 on each final day of racing of a breed and on the final day of mixed breed racing within a race meeting. In determining whether to distribute or carry over the pick six and/or pick three pools, the commission must consider the type of breed racing, assignment of future racing days, and the best interest of racing.

In cases where a carry over would occur, the commission must designate what constitutes the next succeeding racing date to which the escrowed funds are to be carried over.

7876.0100 ON-TRACK STABLING.

Subpart 1. to 8. [Unchanged.]

Subp. 9. **Secure area.** The on-track stabling site is

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considered a secure area and only designated licensees are permitted within the confines of this area.

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey, veterinarian, or farrier may not be licensed in another capacity.

B. No racing official may serve or act in a nonofficial capacity at a race meeting at which he or she is licensed as an official.

C. In addition to the prohibitions of item B, a person licensed as an owner may not be licensed as a jockey agent, nor may any person licensed as a jockey agent be licensed as an owner.

D. No Class C licensee shall act in any capacity other than that for which he or she is licensed.

7877.0145 EMERGENCY LICENSE.

Subpart 1. [Unchanged.]

Subp. 2. **Owners.** If an owner is unable to complete an application for an owner's license because of absence or illness, the licensed trainer desiring to enter a horse in a race shall be permitted to apply for an emergency owner's license on behalf of the absent owner.

The trainer applying for an emergency owner's license on behalf of an absent owner must submit a notarized affidavit with the license application specifying the reasons the owner is unable to complete the application.

The trainer must, at the time of submission for an emergency owner's license, provide at least the following information: the owner's full name, home or business address, telephone number, and social security number. At the time of application, the appropriate licensing fee must be paid to the commission. Failure to provide all of the foregoing information

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is grounds for denial of an emergency owner's license.

Within 21 days of the issuance of the emergency owner's license, the owner must submit a properly completed owner's application, fingerprint card, and fingerprint fee. Failure to provide the foregoing information is grounds for suspension of the emergency owner's license. In addition, if the required information is not submitted due to an act or omission on the part of the trainer, the trainer may also be subject to disciplinary action.

7877.0155 CONDITIONS PRECEDENT TO LICENSING.

Acceptance of a Class C license, including a temporary or emergency license, shall mean that the licensee consents and agrees to the following conditions:

A. to E. [Unchanged.]

F. The licensee will, upon request of the commission, the commission's director of security, or the stewards, provide a blood, breath, or urine sample for analysis if the duties of the licensee place him or her in a position of danger or he or she commits an act that endangers a horse or human.

G. and H. [Unchanged.]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

A. to D. [Unchanged.]

E. A stable name must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of any owner of race horses as a stable name. A stable name which has already been registered may not be registered by another owner.

(1) to (3) [Unchanged.]

Subp. 2. to 7. [Unchanged.]

Subp. 8. **Horsepersons' bookkeeper.** The horsepersons' bookkeeper shall:

A. be bonded;

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B. receive all stakes, entrance money, jockeys' fees, drivers' fees, and purchase money in claiming races;

C. keep a complete and accurate record of all money received, and make those records available for inspection by the commission; and

D. not distribute any purse money to an individual with an emergency license.

Subp. 9. [Unchanged.]

7877.0180 CONFLICTS.

Subpart 1. and 2. [Unchanged.]

Subp. 3. **Owners, trainers, drivers, or jockeys.** No owner, trainer, driver, or jockey shall wager to win on any horse except his or her own in a race in which he or she competes.

7878.0100 DEFINITIONS.

Subpart 1. to 8. [Unchanged.]

Subp. 9. **First aid course.** "First aid course" means the Red Cross Multi Media Course (Basic).

Subp. 10. and 11. [Unchanged.]

7878.0140 CONTINUING EDUCATION.

Subpart 1. **Licensee shall successfully complete refresher training.** No security officer's license may be renewed unless the licensee or his or her appointing authority furnishes the commission proof that the licensee has successfully completed, on an annual basis, at least eight hours of refresher training in the areas of:

A. first aid;

B. security plan, policy, and procedure of the racing association; and

C. cardiopulmonary resuscitation.

Subp. 2. [Unchanged.]

7879.0100 QUALIFICATIONS AND APPOINTMENT OF STEWARDS.

Subpart 1. [Unchanged.]

Subp. 2. **Appointment and approval of stewards.** The following procedures must be observed in the appointment of

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stewards:

A. There shall be three stewards for each race meeting, at least two of whom shall be appointed by the commissioner. The third steward may be nominated by the association for approval by the commission if the commission determines that nomination by the association will be in the best interests of racing.

The commission must notify the association if it will accept an association's nomination for a steward. The name of the association nominee for steward must be submitted no later than 30 days before commencement of a race meeting and must be accompanied by biographical data setting forth the experience and qualifications of the nominee. No steward may serve until approved by the commission.

B. [Unchanged.]

7883.0100 ENTRIES AND SUBSCRIPTIONS.

Subpart 1. to 15. [Unchanged.]

Subp. 15a. **Approval for blinkers.** No horse, to which blinkers will be added or removed, may be entered in any race without the prior written authorization of the starter. This authorization must accompany the entry. Error in this procedure may be corrected with the permission of the stewards at no later than scratch time.

Subp. 16. and 17. [Unchanged.]

7884.0230 RACING EQUIPMENT.

Subpart 1. and 2. [Unchanged.]

Subp. 3. **Helmets must be worn.** All persons must wear a protective helmet approved by the Snell Foundation or the United States Department of Transportation with the chin strap properly fastened at all times when racing, jogging, training, or when warming-up a horse on the grounds of an association.

Subp. 4. to 7. [Unchanged.]

7890.0110 MEDICATIONS PROHIBITED.

No person shall administer or cause to be administered to a

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horse within 48 hours of a race in which it is scheduled to run any medication (except as permitted by part 7890.0100, subpart 13, items A to D) by injection, oral or topical administration, rectal infusion or suppository, or by inhalation and no horse participating in a race shall carry in its body any substance foreign to the natural horse.

7890.0120 REPORTING PROCEDURES.

Subpart 1. [Unchanged.]

Subp. 2. **Administration of Bute to be reported.** If a horse is to race with Bute in its system, the trainer shall be responsible for marking the information on the entry blank for each race in which the horse shall use Bute. Changes made after the time of entry must be submitted on the prescribed form to the commission veterinarian no later than scratch time.

7890.0150 DISCLOSURE OF APPROVED MEDICATIONS TO PUBLIC.

The names of all horses that have been approved for race day use of Lasix® must be identified in the daily racing program. The names of all horses that have been treated with Bute shall be posted on the public information boards in the grandstand by the association by one hour before post time of the first race on the day such horses are to race. Horses that are racing for the first time using Lasix®, must be so identified in the daily racing program.

7895.0100 GENERAL PROVISIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Horses leased from Minnesota residents ineligible.** Horses that are leased by Minnesota residents from non-Minnesota residents and are not Minnesota-bred or foaled, are ineligible to race as Minnesota-owned horses.

7897.0110 USE OF DRUGS AND ALCOHOL.

Subpart 1. **Drugs.** The commission, the commission's director of security, or the stewards may, at any time, require any licensee whose duties place him or her in a position of danger, or who commits an act that endangers a horse or human,

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to provide blood or urine samples for chemical analysis. If such a licensee fails to comply with this requirement, the licensee shall be suspended and referred to the commission to show cause for refusing to do so.

Should a licensee be found to have levels of any nonprescription, prohibited, or illegal drug, the licensee shall be subject to disciplinary action by the stewards and the commission.

Subp. 2. [Unchanged.]

7897.0115 FAILURE TO APPEAR.

No licensee shall fail to appear in any court of competent jurisdiction on any criminal complaint, indictment, tab charge, citation, or bench warrant.

7897.0120 DISCIPLINARY SANCTIONS.

Subpart 1. **Licenses.** Any licensee engaging in any prohibited act as provided in parts 7897.0100 to 7897.0115 is subject to license suspension or revocation, and/or the levying of a fine as provided in part 7897.0130.

Subp. 2. and 3. [Unchanged.]

7897.0130 SCHEDULE OF FINES.

Subpart 1. to 5. [Unchanged.]

Subp. 6. **Timetable for paying fines.** All fines imposed by the stewards or commission must be paid within 72 hours of the date of the ruling imposing the fine. Failure to pay the fine within the required time is grounds for suspension.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

Subpart 1. ~~to 4.~~ [Unchanged.]

Subp. 2. **Penalties imposed by stewards.** The stewards may suspend the license of the holder up to ~~30~~ 90 days, and/or impose a fine of up to ~~$500~~ $2,000 in accordance with the schedule of fines in part 7897.0120; or they may order any other appropriate disciplinary or corrective action.

Subp. 3. and 4. [Unchanged.]

Subp. 5. **Stays of stewards' decisions.** An appeal of a

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stewards' decision will not automatically stay the decision. A party may request the executive director to stay the decision. The executive director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** Any affected party may appeal a decision of the stewards by filing with the executive director a written request for an appeal within three days, excluding Saturday, Sunday, and holidays, after the stewards have orally advised the affected party of the decision. The written request shall contain the following information:

A. to E. [Unchanged.]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal the sum of $50. The sum will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the $50 will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposed of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. and 9. [Unchanged.]

7897.0190 DISCIPLINARY ACTION BY COMMISSION.

Subpart 1. **Contested case hearings.** The commission may take the following disciplinary action only after a contested case hearing held in accordance with the contested case procedures in Minnesota Statutes, chapter 14 and rules adopted pursuant thereto:

A. revoke a Class A, B, C, or D license;

B. suspend or fine a Class A, B, or D license; and

C. suspend a Class C license for more than ~~30~~ 90 days, and/or fine a Class C license in an amount exceeding ~~$500~~ $2,000.

Subp. 2. [Unchanged.]

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REPEALER. Minnesota Rules, part 7878.0120, subpart 3, is repealed.

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by Revisor _____

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
MAY 26 1987
Joan Anderson Growe
Secretary of State
12:00 PM

APPROVED AS TO FORM AND LEGALITY
May 26th 1987
HUBERT H. HUMPHREY, III
ATTORNEY GENERAL
BY M.J. Cassely
SPECIAL ASSISTANT ATTORNEY GENERAL

MINNESOTA RACING COMMISSION

CERTIFICATE OF COMMISSION'S
AUTHORIZING RESOLUTION

I, Ray Eliot, do hereby certify that I am the chair of the Minnesota Racing Commission, a commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Minnesota Racing Commission duly and properly called and held on the 11th day of February, 1987, that a quorum was present, and that a majority of those present voted for the resolution which has not been rescinded or modified.

"RESOLVED, that Don Price, Executive Director of the Minnesota Racing Commission, is hereby granted the authority and directed to sign and to give the Notice of the Commission's Proposed Adoption of a rule without a public hearing governing amendments to the existing rule to all persons who have registered their names with the Commission for that purpose and publish the Notice and Rule in the State Register, and to perform any and all acts incidental thereto.

In the event a public hearing becomes necessary, the Executive Director is hereby granted the authority and directed to call a hearing for the purpose of promulgating said rules, as well as perform any and all acts incidental thereto, including but not limited to, signing an Order for Hearing and Notice of Hearing as well as act as the Commission's representative at all hearings."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 11th day of February, 1987.

Ray Eliot

RAY ELIOT
Minnesota Racing Commission

CERTIFICATE OF THE
MINNESOTA RACING COMMISSION
RESOLUTION ADOPTING THE RULE

I, Ray Eliot, do hereby certify that I am a member and the Chair of the Minnesota Racing Commission, a Commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of a resolution adopted at a meeting of the Minnesota Racing Commission, duly and properly called and held on the 7th day of May 1987, that a quorum was present, and that a majority of those present voted for the resolution which has not been rescinded or modified.

> "RESOLVED, that the rule amending the existing racing rule is approved and adopted, pursuant to authority vested in the Minnesota Racing Commission by Minnesota Statutes 240.23.
>
> Donald R. Price, the Executive Director of the Minnesota Racing Commission, is authorized to sign the findings of fact, conclusions, and order adopting the rule and further is authorized to modify the rule if necessary to obtain approval of the rule by the Attorney General and to perform the necessary acts to provide that the rule shall have the force and effect of law."

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of May, 1987.

Ray Eliot
RAY ELIOT

Board Member

Minnesota Racing Commission

Proposed Permanent Rules Relating to the Regulation of Horse Racing

Rules as Proposed

7869.0100 DEFINITIONS.

Subpart 1. to 50. [Unchanged.]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

A. to J. [Unchanged.]

~~K. "Quarter-horse-race"-means-a-race-on-the-flat-at 870-yards-or-less.~~

~~L.~~ "Race on the flat" means a race over a course in which no jumps or other obstacles are placed.

~~M.~~ L. "Restricted race" means a race required pursuant to Minnesota Statutes, section 240.29.

~~N.~~ M. "Stakes race" or "sweepstakes race" means a race to which nominators of the engaged entries contribute to a purse, and to which money or any other award may be added. No overnight race, regardless of its conditions, may be deemed a stakes race.

~~O.~~ N. "Time trial" means a race against time for the purpose of establishing a performance record.

Subp. 52. to 69. [Unchanged.]

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

A. a fully equipped first aid room with at least two beds;

B. a licensed physician and registered nurse on duty in the first aid room on all days during which horse racing is conducted; and

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C. ~~a-registered-nurse-on-duty-on-all-days-during which-the-racetrack-facility-is-open-for-exercising-horses;-and~~

~~D.~~ an ambulance for humans with necessary equipment and staff whenever the facility is open for racing or exercising horses.

7873.0130 PREVENTION TO START.

In a thoroughbred or quarter horse race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

A. If any horse is so prevented from starting, the entire amount in the win, place, and show pools wagered on that horse shall be promptly refunded unless the horse finishes first, second, or third, in which case the horse shall be considered a starter for all straight pools in which the horse earned a placing and a non-starter in all other straight pools. However, there shall be no refund if the horse is part of a coupled entry or field.

B. ~~In-races-on-which-multiple-wagering-is-permitted, except-on-the-second-half-of-the-daily-double-or-pick-six,-if-a horse-is-so-prevented-from-starting,-the-entire-amount-wagered on-any-combination-including-that-horse-shall-be-promptly refunded.~~ If any horse is so prevented from starting, the entire amount in the exacta pool wagered on that horse shall be promptly refunded unless the horse finishes first or second, in which case the horse shall be considered a starter for the exacta pool in which the horse earned a placing. However, there shall be no refund if the horse is a part of a coupled entry or field.

C. [Unchanged.]

7873.0190 PICK SIX.

Subpart 1. to 5. [Unchanged.]

Subp. 6. **Calculation of pool.** The pick six pari-mutuel

Approved by Revisor _____

pool shall be calculated as follows:

A. and B. [Unchanged.]

C. Should no distribution be made pursuant to item A on the last day of the association's meeting, then the entire distributable pool and all money accumulated in the pool shall be distributed to the holders of tickets correctly designating the most winning selections of the six races comprising the pick six for that day. If, for any reason, the final day of racing is canceled ~~and~~ or the pick six pool has not been distributed, the pool shall be escrowed by the association, and the pool, as well as all accrued interest, shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date ~~of the same breed~~ as an additional net amount to be distributed.

Subp. 7. and 8. [Unchanged.]

Subp. 9. **Cancellation of race comprising pick six.** In the event one or more of the races comprising the pick six is canceled for any reason, or in the event one or more of the races comprising the pick six is declared as no contest by the stewards, 75 percent of the pari-mutuel pool shall not be distributed but shall be retained by the association as distributable amounts and shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed. The remaining 25 percent shall be distributed among the holders of pick six tickets which correctly designate the most official winners of the remaining races comprising the pick six. In the event of the cancellation of all six races comprising the pick six pool after wagering has been accepted on that day, a full and complete refund must be made of the pari-mutuel tickets sold on the pick six on that day. One hundred percent of the remaining amount in the pick six pari-mutuel pool shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 10. [Unchanged.]

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by Revisor _____

7873.0191 PICK THREE.

Subpart 1. **Scope.** The pick three pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place, and show pool shown on the totalizator board, nor to the rules governing the distribution of such other pools.

Subp. 2. **Ticket is evidence of binding contract.** A pick three ticket shall be evidence of a binding contract between the holder of the ticket and the racing association and the ticket shall constitute an acceptance of the pick three provisions and rules.

Subp. 3. **Pick three may be given a distinctive name.** A pick three may be given a distinctive name to be selected by the association conducting these races, subject to the approval of the commission.

Subp. 4. **Pick three pool.** The pick three pari-mutuel pool consists of amounts contributed for a selection for win only in each of three races designated by the association with the approval of the commission. Each person purchasing a pick three ticket shall designate the winning horse in each of the three races comprising the pick three.

Subp. 5. **Coupled entries and fields.** Those horses constituting an entry of coupled horses or those horses coupled to constitute the mutuel field in a race comprising the pick three, shall race as a single wagering interest for the purpose of the pick three pari-mutuel pool calculations and payouts to the public. However, if any part of either an entry or the field racing as a single wagering interest is a starter in a race, the entry or the field selection shall remain as the designated selection to win in that race for the pick three calculation, and the selection shall not be deemed a scratch.

Subp. 6. **Calculation of pool.** The pick three pari-mutuel pool shall be calculated as follows:

A. One hundred percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket

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holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the official winner in each of the three races comprising the pick three.

B. In the event no pari-mutuel ticket is sold combining the three winners of the pick three, 100 percent of the net amount in the pari-mutuel pool shall be distributed among the holders of pari-mutuel tickets which include the winners of two of the three races comprising the pick three.

C. In the event no pari-mutuel ticket is sold combining two winners of the pick three, 100 percent of the net amount in the pari-mutuel pool shall be distributed among holders of pari-mutuel tickets which include the winner of any one race comprising the pick three.

D. In the event no pari-mutuel ticket is sold that would require distribution of the pick three pool to a winner under this part, 100 percent of the net amount in the pick three pari-mutuel pool shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

E. If, for any reason, the final day of racing is canceled or the pick three pool has not been distributed, the pool shall be escrowed by the association, and the pool, as well as all accrued interest, shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 7. **Cancellation of races comprising pick three.** If for any reason one or two of the races comprising the pick three is canceled, the net amount of the pari-mutuel pool shall be distributed as provided in subpart 6, items B, C, and D.

If for any reason all of the races comprising the pick three are canceled, a full and complete refund must be made of the pari-mutuel tickets sold on the pick three on that day. One hundred percent of the remaining amount in the pick three pari-mutuel pool shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

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Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

Subp. 9. **Dead heats.** In the event of a dead heat for win between two or more horses in any pick three race, all the horses in the dead heat for win shall be considered as winning horses in the race for the purpose of calculating the pool.

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, item B, and no person shall disclose the number of tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

Subp. 11. **Announcement of payoff prices.** After the second of the three races comprising the pick three has been declared official, an association may, with the approval of the commission, post possible payoff prices to the public before the start of the third race of the pick three.

7873.0195 DISTRIBUTION OF PICK SIX AND PICK THREE POOLS.

The commission may authorize the distribution or carry over of the pick six pool according to part 7873.0190, subpart 6 and the pick three pool according to part 7873.0191, subpart 6 on each final day of racing of a breed and on the final day of mixed breed racing within a race meeting. In determining whether to distribute or carry over the pick six and/or pick

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three pools, the commission must consider the type of breed racing, assignment of future racing days, and the best interest of racing.

In cases where a carry over would occur, the commission must designate what constitutes the next succeeding racing date to which the escrowed funds are to be carried over.

7876.0100 ON-TRACK STABLING.

Subpart 1. to 8. [Unchanged.]

Subp. 9. **Secure area.** The on-track stabling site is considered a secure area and only designated licensees are permitted within the confines of this area.

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey, veterinarian, or farrier may not be licensed in another capacity.

B. No racing official may serve or act in ~~another~~ a nonofficial capacity at a race meeting at which he or she is licensed as an official.

C. In addition to the prohibitions of item B, a person licensed as an owner may not be licensed as a jockey agent, nor may any person licensed as a jockey agent be licensed as an owner.

D. No Class C licensee shall act in any capacity other than that for which he or she is licensed.

7877.0145 EMERGENCY LICENSE.

Subpart 1. [Unchanged.]

Subp. 2. **Owners.** If an owner is unable to complete an application for an owner's license because of absence or illness, the licensed trainer desiring to enter a horse in a race shall be permitted to apply for an emergency owner's license on behalf of the absent owner.

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The trainer applying for an emergency owner's license on behalf of an absent owner must submit a notarized affidavit with the license application specifying the reasons the owner is unable to complete the application.

The trainer must, at the time of submission for an emergency owner's license, provide at least the following information: the owner's full name, home or business address, telephone number, and social security number. At the time of application, the appropriate licensing fee must be paid to the commission. Failure to provide all of the foregoing information is grounds for denial of an emergency owner's license.

~~Any emergency owner's license shall be valid for a maximum of 21 days from the date issued.~~ Within 21 days of the issuance of the emergency owner's license, the owner must submit a properly completed owner's application, fingerprint card, and fingerprint fee. Failure to provide the foregoing information is grounds for suspension of the emergency owner's license. In addition, if the required information is not submitted due to an act or omission on the part of the trainer, the trainer may also be subject to disciplinary action.

7877.0155 CONDITIONS PRECEDENT TO LICENSING.

Acceptance of a Class C license, including a temporary or emergency license, shall mean that the licensee consents and agrees to the following conditions:

A. to E. [Unchanged.]

F. The licensee will, upon request of the commission, the commission's director of security, or the stewards, provide a blood, breath, or urine sample for analysis if the duties of the licensee place him or her in a position of danger or he or she commits an act that endangers a horse or human.

G. and H. [Unchanged.]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

A. to D. [Unchanged.]

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E. A ~~licensed-owner-may-register-a~~ stable name must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of any owner of race horses as a stable name. ~~No-stable-name-registration-may-be-used-for advertising-purposes.~~ A stable name which has already been registered may not be registered by another owner.

(1) to (3) [Unchanged.]

Subp. 2. to 7. [Unchanged.]

Subp. 8. **Horsepersons' bookkeeper.** The horsepersons' bookkeeper shall:

A. be bonded;

B. receive all stakes, entrance money, jockeys' fees, drivers' fees, and purchase money in claiming races; ~~and~~

C. keep a complete and accurate record of all money received, and make those records available for inspection by the commission; and

D. not distribute any purse money to an individual with an emergency license.

Subp. 9. [Unchanged.]

7877.0180 CONFLICTS.

Subpart 1. and 2. [Unchanged.]

Subp. 3. **Owners, trainers, drivers, or jockeys.** No owner, trainer, driver, or jockey shall wager to win on any horse except his or her own in a race in which he or she competes.

7878.0100 DEFINITIONS.

Subpart 1. to 8. [Unchanged.]

Subp. 9. **First aid course.** "First aid course" means ~~any of-the-following-officially-recognized-courses:--Red-Cross advanced-first-aid,-emergency-medical-technician,-or-EMS-first responder~~ the Red Cross Multi Media Course (Basic).

Subp. 10. and 11. [Unchanged.]

7878.0140 CONTINUING EDUCATION.

Subpart 1. **Licensee shall successfully complete refresher**

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training. No security officer's license may be renewed unless the licensee or his or her appointing authority furnishes the commission proof that the licensee has successfully completed, on an annual basis, at least ~~16~~ eight hours of refresher training in the areas of:

A. ~~physical-protection~~ first aid;

B. ~~laws-of-arrest~~ security plan, policy, and procedure of the racing association; and

C. ~~constitutional-law~~ cardiopulmonary resuscitation~~;~~

~~D.--handling-of-citizen-complaints;~~

~~E.--security-plan,-policy,-and-procedure-of-the-racing association;-and~~

~~F.--first-aid.~~

Subp. 2. [Unchanged.]

7879.0100 QUALIFICATIONS AND APPOINTMENT OF STEWARDS.

Subpart 1. [Unchanged.]

Subp. 2. **Appointment and approval of stewards.** The following procedures must be observed in the appointment of stewards:

A. There shall be three stewards for each race meeting, at least two of whom shall be appointed by the commissioner ~~and-one-of-whom-shall-be-nominated-by-the association-for-approval-by-the-commission~~. The third steward may be nominated by the association for approval by the commission if the commission determines that nomination by the association will be in the best interests of racing.

The commission must notify the association if it will accept an association's nomination for a steward. The name of the association nominee for steward must be submitted no later than 30 days before commencement of a race meeting and must be accompanied by biographical data setting forth the experience and qualifications of the nominee. ~~The-association-may-submit successive-nominees-until-one-person-is-approved-by-the commission-as-qualified-to-serve-as-steward.~~ No steward may serve until approved by the commission.

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B. [Unchanged.]

7883.0100 ENTRIES AND SUBSCRIPTIONS.

Subpart 1. to 15. [Unchanged.]

Subp. 15a. **Approval for blinkers.** No horse, to which blinkers will be added or removed, may be entered in any race without the prior written authorization of the starter. This authorization must accompany the entry. Error in this procedure may be corrected with the permission of the stewards at no later than scratch time.

Subp. 16. and 17. [Unchanged.]

7884.0230 RACING EQUIPMENT.

Subpart 1. and 2. [Unchanged.]

Subp. 3. **Helmets must be worn.** All persons must wear ~~an approved~~ a protective helmet approved by the Snell Foundation or the United States Department of Transportation with the chin strap properly fastened at all times when racing, jogging, training, or when warming-up a horse on the grounds of an association.

Subp. 4. to 7. [Unchanged.]

7890.0110 MEDICATIONS PROHIBITED.

No person shall administer or cause to be administered to a horse within 48 hours of a race in which it is scheduled to run any medication (except as permitted by part 7890.0100, subpart 13, items A to D) by injection, oral or topical administration, rectal infusion or suppository, or by inhalation and no horse participating in a race shall carry in its body any substance foreign to the natural horse.

7890.0120 REPORTING PROCEDURES.

Subpart 1. [Unchanged.]

Subp. 2. **Administration of Bute to be reported.** ~~The following procedures shall be observed when Bute is administered.~~

~~A. The administration of Bute to a horse entered to race must be reported to the commission veterinarian on a prescribed form by not later than 7:00 a.m. the day of the race.~~

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~~B.--Upon-discontinuing-the-administration-of-Bute-to-a horse-entered-to-race,-the-attending-trainer-must-notify-the commission-veterinarian-by-7:00-a.m.-the-day-of-the-race.~~

~~C.--If-Bute-is-not-detected-in-a-test-sample-taken from-a-horse-registered-to-use-such-substance,-disciplinary action-shall-be-initiated-against-the-attending-trainer-and,-if applicable,-the-assistant-trainer-or-substitute-trainer.~~ If a horse is to race with Bute in its system, the trainer shall be responsible for marking the information on the entry blank for each race in which the horse shall use Bute. Changes made after the time of entry must be submitted on the prescribed form to the commission veterinarian no later than scratch time.

7890.0150 DISCLOSURE OF APPROVED MEDICATIONS TO PUBLIC.

The names of all horses that have been ~~treated-with-Bute-or~~ approved for race day use of Lasix® must be identified in the daily racing program. The names of all horses that have been treated with Bute shall be posted on the public information boards in the grandstand by the association by one hour before post time of the first race on the day such horses are to race. Horses that are racing for the first time using Lasix®, must be so identified in the daily racing program.

7895.0100 GENERAL PROVISIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Horses leased from Minnesota residents ineligible.** Horses that are leased by Minnesota residents from non-Minnesota residents and are not Minnesota-bred or foaled, are ineligible to race as Minnesota-owned horses.

7897.0110 USE OF DRUGS AND ALCOHOL.

Subpart 1. **Drugs.** The commission, the commission's director of security, or the stewards may, at any time ~~after consultation-with-the-track-physician~~, require any licensee whose duties place him or her in a position of danger, or who commits an act that endangers a horse or human, to provide blood or urine samples for chemical analysis. If such a licensee

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fails to comply with this requirement, ~~said~~ the licensee shall be suspended and referred to the commission to show cause for refusing to do so.

Should ~~such~~ a licensee be found to have levels of any nonprescription, prohibited, or illegal drug, the licensee shall be subject to disciplinary action by the stewards and the commission.

Subp. 2. [Unchanged.]

7897.0115 FAILURE TO APPEAR.

No licensee shall fail to appear in any court of competent jurisdiction on any criminal complaint, indictment, tab charge, citation, or bench warrant.

7897.0120 DISCIPLINARY SANCTIONS.

Subpart 1. **Licenses.** Any licensee engaging in any prohibited act as provided in parts 7897.0100 ~~and 7897.0110~~ to 7897.0115 is subject to license suspension or revocation, and/or the levying of a fine as provided in part 7897.0130.

Subp. 2. and 3. [Unchanged.]

7897.0130 SCHEDULE OF FINES.

Subpart 1. to 5. [Unchanged.]

Subp. 6. **Timetable for paying fines.** All fines imposed by the stewards or commission must be paid within 72 hours ~~upon receipt of a~~ of the date of the ruling imposing the fine. Failure to pay the fine within the required time is grounds for suspension.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

Subpart 1. to 4. [Unchanged.]

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the executive ~~secretary~~ director to stay the decision. The executive ~~secretary~~ director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.**

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Any affected party may appeal a decision of the stewards by filing with the executive ~~secretary~~ director a written request for ~~such~~ an appeal within three days, excluding Saturday, Sunday, and holidays, after the ~~stewards' decision is received~~ stewards have orally advised the affected party of the decision. The written request shall contain the following information:

A. to E. [Unchanged.]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal the sum of $50. The sum will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the $50 will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposed of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. and 9. [Unchanged.]

REPEALER. Minnesota Rules, part 7878.0120, subpart 3, is repealed.

Approved by Revisor _____

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the
Proposed Adoption of the
Minnesota Racing Commission
Rule Governing Amendments to
Existing Rule

NOTICE OF PROPOSED
ADOPTION OF A RULE
WITHOUT A PUBLIC
HEARING

NOTICE is hereby given that the Minnesota Racing Commission proposes to adopt the above-entitled rule without a public hearing following the procedures set forth in Minnesota Statutes, sections 14.22 to 14.28. The statutory authority to adopt the rule is Minnesota Statutes, section 240.23.[1]

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged.[2] Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.[3]

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons[4] submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request. Any person requesting a public hearing should state his or her name and address,[6] and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the agency will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20.[7]

Comments or written requests for a public hearing must be submitted to:[5]

Minnesota Racing Commission
11000 West 78th Street, Suite 201
Eden Prairie, Minnesota 55344
Telephone: (612) 341-7555

The proposed rule may be modified if the modifications[8] are supported by data and views and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.[11]

A statement of Need and Reasonableness[12] that describes the need for a reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from the Minnesota Racing Commission upon request.

Promulgation of the proposed rule will not result in the expenditure of public monies by local public bodies, fix or adjust any fees, or have an impact on agricultural land. The affect, if any, that the proposed rule may have on small businesses is discussed in the Statement of Need and Reasonableness.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to the Minnesota Racing Commission at the address listed above.

Dated: Feb. 11, 1987

Donald R. Price

DONALD PRICE
Executive Director
Minnesota Racing Commission

RECEIVED

MAR 1 3 1987

ATTORNEY GENERAL'S OFFICE
FORD BLDG, SECOND FLOOR
ST. PAUL, MN 55155

STATE OF MINNESOTA
MINNESOTA RACING COMMISSION

In the Matter of the Proposed
Adoption of Rules of the
Minnesota Racing Commission
Amending Existing Rules

STATEMENT OF NEED
AND REASONABLENESS

I. GENERAL

In an effort to improve the quality of racing in Minnesota, the Minnesota Racing Commission (Commission) has proposed minor amendments to the Racing Rule, Minn. Rule 7869.0100-7899.0100. The proposed amendments are consistent with the Rules and Regulations of the various racing jurisdictions in the country and are necessary to make Minnesota competitive in the racing industry. The Commission believes the proposed amendments are reasonable because they are customary in other racing states. Moreover, the burdens imposed on the participants are not undue; compliance with similar rules has been obtained in other jurisdictions.

II. STATUTORY AUTHORITY

The Commission is empowered by Minnesota Statute § 243.03 to:

(1) Regulate horse racing in Minnesota to ensure that it is conducted in the public interest;

(2) Enforce all laws and rules governing horse racing;

(3) Supervise the conduct of pari-mutuel betting on horse races; and

(4) Take all necessary steps to ensure the integrity of racing in Minnesota.

The Commission is also specifically authorized by Minn. Stat. § 240.23 to promulgate rules governing "the conduct of horse races held at licensed racetracks in Minnesota, including but not limited to the rules of racing, standards of entry, operation of claiming races, filing and handling of objections, carrying of weights, and declaration of official results" and "any other aspect of horse racing or pari-mutuel betting which in its opinion affects the integrity of racing or the public health, welfare or safety."

These broad statutory provisions clearly authorize the Commission to promulgate amendments governing the conduct of racing at licensed racetracks in Minnesota.

III. RULE-BY-RULE ANALYSIS

7869.0100 DEFINITIONS

This part contains definitions of the terms that are used throughout the rules of the Minnesota Racing Commission. The Commission proposes a minor amendment to subpart 51, Item K. The rest of the part remains unchanged.

7869.0100, subp. 51, Item K

This item defines "quarter horse race" as a race on the flat at 870 yards or less. Thus, by definition, 870 yards is the maximum distance that a quarter horse can run. Deletion of the definition is necessary to allow quarter horses to race for greater distances so that the racetrack can match quarter horses against thoroughbreds during the 1987 mixed quarter horse and thoroughbred meet. Deletion of the item is reasonable because it unduly

restricts the type of races which may be run by quarter horses in the state, while thoroughbreds and standardbreds are not restricted in a similar manner.

7870.0480 Medical Services

This part sets forth the medical services that a race track must provide. The commission proposes to delete subpart C which requires a registered nurse to be on duty on all days during which the race track facility is open for exercising horses. Deletion of the subpart is necessary to remove the requirement of retaining a registered nurse during exercise hours. Deletion of the subpart is reasonable because it eliminates the unnecessary duplication of personnel. Minn. Rule 7870.0480, subp. D requires that the race track provide an ambulance for humans equipped with necessary staff whenever the facility is open for racing or exercising horses. The ambulance is staffed by trained personnel and is more than adequate to attend to any injury that may occur during the exercising of horses.

7873.0130 Prevention to Start

This part sets forth the procedures which must be followed by a race track when a horse on which pari-mutuel wagering has been conducted is prevented from leaving the starting gate due to a mechanical or electrical error. The commission has proposed amendments to subparts A and B. The remainder of the part is unchanged.

7873.0130, Subp. A

This subpart sets forth the procedure which a race track must follow with respect to straight wagering when the starting gate doors do not open due to a mechanical or electrical malfunction. The amendment is necessary to make it absolutely clear that the procedures set forth in Subpart A apply only to straight wagering pools. The amendment is reasonable because it does not substantively change the rule, but merely makes it clear that the subpart refers to straight wagering pools rather than to multiple wagering pools.

7873.0130 Subp. B

The commission has proposed an amendment to Subpart B which would eliminate the requirement that the entire amount wagered in a multiple wagering pool be refunded if a horse is prevented from starting. The commission proposes to adopt a procedure for multiple wagering pools that is similar to that employed with straight wagering pools. Thus, if a horse is prevented from starting, the amount in the multiple wagering pool need not be refunded unless the horse does not finish first or second. This amendment is necessary to conform the multiple wagering procedure to that of the straight wagering procedure. The amendment is reasonable in that it allows the betting public to collect on its bets when the horse finishes first or second in the race, even though the horse may have been inhibited slightly by the starting gate.

7873.0190 Pick Six

This part sets forth the requirements governing pick six wagering. The commission proposes to amend subpart 6, item C and subpart 9.

7873.0190 Subpart 6, Item C

This item sets forth the procedures governing the distribution and carry-over of the pick six pool on the last day of a race meeting. The commission proposes to amend this rule by allowing a race track to carry over the non-distributed pick six pool to the next succeeding racing date, regardless of the breed of horse that will be racing on the next racing date. The amendment is necessary because the previous rule did not take into account the fact that a particular breed may not be involved in racing every year. As a result, the amendment allows the race track to carry over non-distributed pick six money to the next succeeding racing date even if the racing date involves a different breed of horse. The amendment is reasonable because it allows the race track to distribute non-distributed pick six money to the racing public rather than placing the money in escrow until such time as a particular breed again races at the race track.

7873.0190 Subpart 9

This subpart addresses the method of distribution of the pick six carry-over whenever the races are terminated on the final day of racing. The amendment is necessary because the current rule does not take into account the cancellation of all six races

comprising the pick six wager. Thus, the amendment merely sets forth the procedures which must be followed by the race track when all six races comprising the pick six pool have been cancelled on the final day of racing. The amendment is reasonable because it provides a necessary method of distribution that was otherwise omitted from the rule.

7873.0191 Pick Three

This part introduces a new system of wagering to the State of Minnesota called the Pick Three. The Pick Three is similar to the Pick Six in that the object is to select the winning horse in each of three races designated by the race track. The amendment is necessary because a race track cannot conduct Pick Three wagering unless such wagering is approved by the commission and included in the commission's rules. The amendment is reasonable because it is essentially identical to the rule governing Pick Six wagering, and thus, familiar to the public and the race track.

7873.0195 Distribution of Pick Six and Pick Three Pools

This part authorizes the commission to determine the manner of disposing of the Pick Six or Pick Three pools on the final day of racing. The amendment is necessary because the rule did not address the method by which the race track was to dispose of the undistributed Pick Six or Pick Three pools on the last day of racing. In addition, 1987 marks the first year in which mixed breed racing will occur in Minnesota. Thus, because the Pick Six and Pick Three pools are generated during a particular breed of racing, the

commission must have the authority to designate what constitutes the next succeeding racing date for purposes of carrying over the Pick Six or Pick Three pools. This is particularly important since the next succeeding racing date may not involve the same breed of racing. The amendment is reasonable because it gives the commission, subject to certain guidelines, the authority to determine whether those fans who have contributed to the Pick Six or Pick Three pool should be eligible to receive the pool on the last day of racing. However, the amendment also gives the commission the authority to determine that it is in the best interests of the wagering public to carry-over the Pick Six and Pick Three pools to the next succeeding racing date for distribution among new or different racing patrons.

7876.0100 On-Track Stabling

The commission proposes to amend this part by adding a subpart which would designate the on-track stabling area as a secure area acessible only to designated licensees. The amendment is necessary to conform the rule to the procedure which has been employed at the race track for the past two years. The horses in the stable area are often extremely valuable and must be carefully protected from any possiblity of tampering. Thus, the amendment is reasonable because its intended to protect the integrity of racing by designating the on-track stabling site as a secure area. No licensee who is in good standing and who needs to have access to the stable area for legitimate racing purposes will be excluded.

7877.0135 Dual Licensing

This part sets forth the criteria which the commission must consider in determining whether or not to issue more than one Class C license to an individual. The commission proposes an amendment to subpart B which would prohibit a racing official from serving in a unofficial capacity at a race meeting at which he or she is licensed as an official. The rule is necessary to clarify the ambiguity in the rule, and to make it clear that a racing official may substitute in another official capacity during the course of the race meet. The amendment is reasonable because no conflict of interest can exist when one racing official performs the duties of another racing official during the race meet. However, the rule continues to prohibit a racing official from becoming licensed in a non-official capacity to avoid any potential conflict of interest that may arise.

7877.0145 Emergency License

This part allows the commission to issue an emergency license to an individual who has not complied with the usual licensing requirements. The commission proposes to amend subpart 2 which sets forth the requirements for an emergency owner's license.

7877.0145, subp. 2

The commission proposes to amend subpart 2 to require an individual who has been granted an emergency owner's license to submit the required application information to the Commission within 21 days of the granting of the license. Failure to submit the

necessary information will result in the suspension of the emergency owner's license. This amendment is necessary to encourage owners to file complete application information with the commission. The commission is unable to perform the necessary background investigations until the application information is submitted, and therefore, unable to determine if the owner is eligible to race in Minnesota. Moreover, the amendment is necessary to prohibit individuals who have obtained emergency owner's licenses from allowing their licenses to expire, thereby avoiding disciplinary action by the commission. The amendment is reasonable because it allows individuals who are legitimately unable to provide the necessary information to the commission to obtain licenses, but merely requires that those individuals provide the necessary information within a reasonable period of time.

7877.0155 Conditions precedent to licensing

The commission proposes to amend subpart F of this part by allowing the director of security for the racing commission to request a blood, breath, or urine sample from a Class C licensee. The amendment is necessary because the rule did not specifically authorize the director of security to request a sample from a licensee, and the rule did not authorize breath testing. The amendment is reasonable because it clarifies the rule and allows the Commission to engage in the least intrusive method of testing, breath testing.

7877.0170 Duties and Responsibilities of Class C Licensees

This part sets forth the duties and responsibilities of all Class C licensees at the race track. The commission proposes minor amendments to subpart 1, item E, and subpart 8. The remainder of the part is unchanged.

7877.0170, subpart 1, Item E

The commission proposes to amend this subpart to require that all licensed owners who intend to race under a stable name register the stable name with the commission. The amendment is necessary to conform the rule to the current practice at the race track, and to clearly notify owners of their responsibilities under the rule. The amendment is reasonable because it merely codifies the current practice at the race track and insures that there are no duplicate stable names registered with the racing commission.

7877.0170 Subpart 8

The commission proposes to amend this subpart by adding item D, which provides that the horsemen's bookkeeper may not distribute any purse monies to an individual who holds an emergency owner's license. This amendment is necessary to encourage individuals who have obtained emergency owner's licenses to provide the necessary application information to the commission as quickly as possible. The amendment is reasonable because it does not impose an undue burden on the individual, but merely requires the individual to comply with the application requirements that are required of all other owners who race at the race track.

7877.0180 Conflicts

This part defines what situations constitute conflicts of interest for racing officials and veterinarians at the race track. The commission proposes to amend this part by adding subdivision 3, which would prohibit an individual who has a vested interest in a horse from wagering on certain other horses. This rule is necessary to protect the integrity of racing in Minnesota by eliminating the financial incentive to fix a race. The amendment is reasonable because it allows an individual who has a vested interest in a horse to wager on that particular horse. The amendment merely proscribes wagering on a horse that is in direct competition with a horse in which the wagering individual has a vested interest.

7878.0100 Definitions

The commission proposes to amend subpart 9 of this part by redefining "First Aid course." The amendment is necessary to more accurately identify the specific first aid training that is required of security guards. The amendment is reasonable because it does not substantively change the rule, but merely conforms the rule to the current method of teaching first aid.

7878.0140 Continuing Education

This part sets forth the continuing education requirements for all security officers licensed by the commission. The commission proposes to amend subpart 1. Subpart 2 remains unchanged.

7878.0140, subpart 1

The commission proposes to amend this subpart by reducing the number of hours of required continuing education, and by eliminating certain areas of instruction that are not applicable to the duties of a security officer at a licensed race track. The amendment is necessary to conform the continuing education requirements to the actual duties of a security officer at a race track. The amendment is reasonable because the experience of the last two years has led the commission to conclude that 8 hours of refresher training in the areas set forth in the amendment is adequate.

7879.0100 Qualifications and Appointment of Stewards

This part sets forth the qualifications and the procedure for appointment of stewards by the racing commission. The commission proposes to amend subpart 2, item A by correcting a typographical error and by conforming the language of the rule to the language of Minn. Stat. § 240.16.

7879.0100, Subp. 2, Item A

The commission proposes to amend this item by correcting a typographical error in the rule which referred to the "commissioner" rather than the commission. This amendment is necessary and reasonable because it does not substantively change the rule but merely corrects an inadvertent printing error. The commission also proposes to amend this item by conforming the language of the rule to the language set forth in Minn. Stat. § 240.16. Minn. Stat. § 240.16 provides:

All horse races run at a licensed racetrack must be presided over by a board of three stewards, who must be appointees of the Commission or persons approved by it. At least two stewards for all races either shall be employees of the Commission who shall serve in the unclassified service, or shall be under contract with the Commission to serve as stewards.

The amendment is necessary to give the commission the authority to appoint all three stewards as provided in the statute. The amendment is also necessary to insure the integrity of racing in Minnesota and to insure that the public interest is adequately protected. The amendment is reasonable because it merely conforms the rule to the language of the statute.

7883.0100 Entries and Subscriptions

This part defines the procedures necessary to enter a thoroughbred or quarter horse to race in Minnesota. The commission proposes to amend this part by adding subpart 15A, which provides that any horse to which blinkers have been added or removed may not be entered in a race without the prior authorization of the starter. The addition or renewal of blinkers can have a substantial effect on a horse's ability to race. Thus, this amendment is necessary to insure that the wagering public has accurate information about the horses that are racing at the race track, and to insure the safety of those individuals and horses that are participating in the race. The amendment is reasonable because it codifies the practice currently in use at the race track and conforms the rule to the standard practice in the industry.

7884.0230 Racing Equipment

This part sets forth the equipment which must be used during a standardbred race at the race track and sets forth the notification procedures which must be followed whenever equipment is altered or changed. The commission proposes to amend subpart 3 by clarifying the type of protective helmet which must be worn during a harness race. The amendment is necessary and reasonable because it conforms the rule to the generally accepted standards in the harness racing industry.

7890.0110 Medications Prohibited

This part sets forth the medications which may not be administered to a horse within 48 hours of a race in which it is scheduled to run. The commission proposes to amend the rule by providing that no horse participating in a race shall carry in its body any substance foreign to the natural horse. This amendment is necessary to make it absolutely clear that no horse may participate in a race in Minnesota with any prohibited medication in its system. While the rule currently prohibits a horse from participating in a race with prohibited medication in its system, this amendment is necessary to eliminate any possible argument that a horse may race with a prohibited medication in its sytem, so long as the medication is administered more than 48 hours before the race. This amendment is reasonable because it clarifies the rule governing prohibited medications and clearly states that races run in Minnesota are to be run without the interference of any prohibited medication.

7890.0120 Reporting Procedures

This part sets forth the procedure for reporting medication which has been prescribed for a horse. The commission proposes to amend subpart 2 by deleting numerous reporting requirements from the rule. The amendment is necessary because it eliminates a great deal of unnecessary paper work for the trainer and provides the public with more accurate information about the racing condition of the horse. The amendment is reasonable because it conforms the rule to the generally accepted practice in the racing industry.

7890.0150 Disclosure of Approved Medication to Public

This part requires that any horse that has been treated with bute or lasix must be so identified in the daily racing program on the day that the horse is scheduled to race. The commission proposes to amend this rule by deleting the requirement that horses treated with bute must be so noted on the daily racing program. This amendment is necessary to provide more accurate information to the wagering public. Frequent errors in the daily racing program lead to inaccuracies in the information provided and lead to confusing public address announcements. The commission proposes to amend this part by requiring the commission's veterinarian to post the names of those horses which have been treated with bute on the public information boards located throughout the grandstand. The amendment is reasonable because the procedure will provide the wagering public with accurate medication information and will help reduce substantial confusion.

7895.0100 General Provisions

This part sets forth the general provisions for the administration of the breeders fund money. The commission proposes to amend this part by adding subpart 7, which would prohibit a non-Minnesota resident from leasing a horse from a Minnesota resident for the purpose of participating in the breeders fund program. This amendment is necessary to prevent short term leases solely for the purpose of circumventing the breeders fund requirements. During 1986 the commission observed several one-day leases which allowed non-Minnesota residents to participate in the breeders fund program, a program designed to foster the racing industry in Minnesota. The amendment is reasonable because it insures the integrity of the breeders fund by prohibiting non-Minnesota residents from participating in the fund through short-term leasing agreements.

7897.0100 Use of Drugs and Alcohol

This part allows the commission to test for alcohol or controlled substance use in licensees. The commission proposes to amend subpart 1 by specifically authorizing the director of security for the racing commission to request a blood, breath or urine test for analysis. The amendment is necessary because the rule did not specifically authorize the director of security to request a test and the rule did not specifically authorize the commission to request breath samples for analysis. The amendment is reasonable because it clarifies the rule and allows the commission to engage in the least intrusive method of testing, namely, breath testing.

7897.0115 Failure to Appear

The commission proposes to add this part to aid local law enforcement agencies in insuring the appearance of licensees in courts of general criminal jurisdiction. During 1986, there were several non-Minnesota residents licensed by the Commissioner who committed criminal offenses in Minnesota and then fled the State. The amendment is necessary because currently the rules do not provide for disciplinary action against an individual who is required to appear but who leaves the State and fails to appear in a criminal Court. The amendment is reasonable because it subjects an individual to disciplinary sanctions for only as long as it takes to encourage the individual to appear in court. Moreover, the amendment will undoubtedly deter criminal behavior by eliminating the licensee's ability to flee the State without repercussion.

7897.0130 Schedule of Fines

This part sets forth the fine schedule which must be followed by the racing commission when it imposes a fine for a disciplinary violation. The commission proposes to amend subpart 6 by providing for the suspension of the license of an individual who fails to pay a fine within 72 hours of the time that the fine is imposed. This amendment is necessary to insure the payment of fines by individuals who violate the commission's rules. Currently the commission has no recourse against an individual who fails to pay a fine within the 72 hour period. This amendment will insure that the individual pays the fine in a timely fashion. The amendment is

reasonable because it merely creates an enforcement mechanism for requiring the payment of a fine which is imposed for a violation of the commission's rules.

7897.0150 Disciplinary And Appeal Procedures

This part governs the disciplinary and appeal procedures which must be followed by the racing commission when an individual has allegedly violated a commission rule or law. The commission proposes to amend subparts 5, 6 and 7. The remainder of the part is unchanged.

7897.0150, subpart 5

The commission proposes to amend this subpart to delete the reference to "executive secretary" and insert a reference to executive director. This amendment is necessary and reasonable because it conforms the language of the rule to the language of Minnesota Statute § 240.04, subd. 1.

7897.0150, subp. 6

The commission proposes to amend this subpart by providing that the time for appeal from a steward's decision is three days from the date the stewards verbally issue the decision to the licensee. The amendment is necessary because the current rule merely refers to the steward's ruling and does not delineate whether the ruling is verbal or written. Often the stewards issue a verbal ruling which is followed at some later time by a written ruling. The amendment clarifies the rule and clearly states that the time for appeal is limited to three days following the receipt of the

verbal ruling of the stewards. The amendment is reasonable because it conforms the rule to the customary practice in the industry and clearly informs the licensee of the time for appeal.

7897.0150 Subpart 7

This subpart requires an individual who appeals a steward's ruling to the commission to deposit the sum of $50 with the commission at the time that the appeal is filed. The commission proposes to amend this subpart by authorizing the imposition of a fine of not more than $450 against any individual who appeals a stewards' ruling in bad faith or for the purposes of delay. This amendment is necessary to preclude licensees from appealing stewards' decisions simply to stall the imposition of a suspension or fine to a more convenient time. The amendment is reasonable because it allows the commission to impose an additional fine of $450 only in the case of a bad faith appeal or if the appeal was unreasonable and without substance or merit. The fine may not be imposed against any individual who has a legitimate argument for the reversal of the stewards' decision.

IV. OTHER STATUTORY REQUIREMENTS

Minn. Stat. § 14.115 requires agencies proposing a new rule or amending existing rules which affect small businesses, to consider certain methods for reducing the impact of the rule on small businesses. The proposed amendments to the racing commission rule may indirectly impact small businesses. However, the rule does not affect small businesses disproportionately nor does the rule

prevent small businesses from participating in racing in Minnesota. The commission considered the impact of the amendments on small businesses and determined that because of the nature of the industry, the commission cannot be less rigorous in its regulation of one type of business than another.

Minn. Stat. § 14.11, subd. 2 is inapplicable because the proposed amendments will not have any direct and substantial adverse impact on agricultural land. Sections 115.43, subd. 1; 116.07, subd. 6 and 144A.29, subd. 4 are not applicable. Section 16A.128, subd. 1 does not apply because the proposed amendments do not set any fee. Likewise, a fiscal note is not required pursuant to § 3.982 as the rule will not force any local agency or school district to incur costs.

CONCLUSION

Based on the foregoing, the Minnesota Racing Commission's proposed amendments are both necessary and reasonable.

Dated:

DON PRICE
Executive Director
Minnesota Racing Commission

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed Adoption of Rules of the Minnesota Racing Commission Governing Amendments to Existing Rule	AFFIDAVIT OF MAILING THE NOTICE OF PROPOSED ADOPTION OF RULES WITHOUT A PUBLIC HEARING AND CERTIFICATE OF MAILING LIST

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

I. Don Price, being first duly sworn deposes and says:

I hereby certify that the list of persons and associations who have requested, pursuant to Minnesota Statutes, sections 14.14, subdivision 1a. and 14.22 or 14.30, that their names be placed on the Minnesota Racing Commission's rulemaking list is accurate, complete, and current as of this 12th day of March, 1987.

That on the 12th day of March, 1987, at the City of Eden Prairie, County of Hennepin, State of Minnesota, I mailed the attached Notice of Proposed Adoption of a Rule Without a Public Hearing by depositing in the United States mail, a copy thereof with postage prepaid, to all persons and associations on the aforementioned mailing list.

Donald R. Price
DON PRICE, Executive Director
Minnesota Racing Commission

Subscribed and sworn to before
me this 12th day of March, 1987.

Sharon A. Beighley
NOTARY PUBLIC

SHARON A. BEIGHLEY
NOTARY PUBLIC — MINNESOTA
HENNEPIN COUNTY
My Commission Expires Oct. 23, 1989

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A. The public utility or telephone company shall compute current operating income based upon actual 1986 revenues and expenses, adjusted to include items that are the same in nature and kind as in the currently effective order in the utility's most recent rate proceeding, and normalized to the extent necessary to reflect normal operating conditions. Adjustments made to 1986 actual revenues and expenses must be separately identified and detailed.

B. Using the same method approved by the commission in the most recent rate proceeding, the public utility or telephone company shall compute income tax expense based upon the operating income determined in item A, in two ways as specified in subitems (1) and (2). The income tax expense must show the breakdown by component, including deferred taxes, net investment tax credits, and any other component applicable to an individual public utility or telephone company. The public utility or telephone company shall submit detailed schedules supporting the income tax expense computed under the following:

(1) using the tax rates and provisions in effect before enactment of the tax reform act; and

(2) using the tax rates effective July 1, 1987, containing a maximum tax rate of 34 percent and final provisions of the tax reform act.

C. The public utility or telephone company shall compute the difference between item B, subitems (1) and (2). The difference must be multiplied by the gross revenue conversion factor using the tax rates applied in item B, subitem (2). The calculation supporting the gross revenue conversion factor must be submitted to the commission.

7827.0500 ADJUSTMENTS OF TARIFFS, SCHEDULES.

Subpart 1. **Adjustments; tariffs filed.** The public utility or telephone company shall reduce its rates by the federal income tax expense adjustment amount calculated under part 7827.0400. The public utility or telephone company must file tariffs for service rendered on and after July 1, 1987, reflecting the reduced rates, in accordance with subparts 3, 4, and 5.

Subp. 2. **Detailed supporting schedules submitted.** The public utility or telephone company shall submit detailed schedules supporting the calculation of the reduced rates.

Subp. 3. **Public utility charges reduced, allocated.** A public utility shall reduce unit demand and unit energy charges uniformly across all rate schedules. The reduction must be allocated between demand and energy charges in proportion to 1986 normalized demand and energy revenues.

Subp. 4. **Telephone company local exchange rates.** A telephone company providing local exchange service shall reduce the rates for local exchange access line services by a uniform percentage.

Subp. 5. **Telephone company interexchange rates.** A telephone company providing interexchange service shall reduce toll rates for message telecommunications services by a uniform percentage.

7827.0600 FILINGS; WRITTEN COMMENTS.

A tariff required under part 7827.0500 and documentation required under parts 7827.0400 and 7827.0500 must be filed with the commission, the department, and the Office of the Attorney General, Residential Utilities Division, by May 1, 1987, or 30 days after the effective date of parts 7827.0100 to 7827.0600, whichever is later.

Interested persons may submit written comments to the commission within 20 days from the date of filing.

Minnesota Racing Commission

Proposed Permanent Rules Relating to the Regulation of Horse Racing

Notice of Proposed Adoption of a Rule without a Public Hearing

NOTICE is hereby given that the Minnesota Racing Commission proposes to adopt the above-entitled rule without a public hearing following the procedures set forth in Minnesota Statutes, sections 14.22 to 14.28. The statutory authority to adopt the rule is Minnesota Statutes, section 240.23.

All persons have 30 days in which to submit comment in support of or in opposition to the proposed rule or any part or subpart of the rule. Comment is encouraged. Each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed.

KEY: PROPOSED RULES SECTION — Underlining indicates additions to existing rule language. ~~Strike outs~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated "all new material." ADOPTED RULES SECTION — Underlining indicates additions to proposed rule language. ~~Strike outs~~ indicate deletions from proposed rule language.

Any person may make a written request for a public hearing on the rule within the 30-day comment period. If 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held unless a sufficient number withdraw their request. Any person requesting a public hearing should state his or her name and address, and is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and any change proposed. If a public hearing is required, the agency will proceed pursuant to Minnesota Statutes, sections 14.131 to 14.20.

Comments or written requests for a public hearing must be submitted to:

Minnesota Racing Commission
11000 West 78th Street, Suite 201
Eden Prairie, Minnesota 55344
Telephone: (612) 341-7555

The proposed rule may be modified if the modifications are supported by data and views and do not result in a substantial change in the proposed rule as noticed.

A copy of the proposed rule is attached to this notice.

A statement of Need and Reasonableness that describes the need for a reasonableness of each provision of the proposed rule and identifies the data and information relied upon to support the proposed rule has been prepared and is available from the Minnesota Racing Commission upon request.

Promulgation of the proposed rule will not result in the expenditure of public monies by local public bodies, fix or adjust any fees, or have an impact on agricultural land. The affect, if any, that the proposed rule may have on small businesses is discussed in the Statement of Need and Reasonableness.

If no hearing is required, upon adoption of the rule, the rule and the required supporting documents will be submitted to the Attorney General for review as to legality and form to the extent the form relates to legality. Any person may request notification of the date of submission to the Attorney General. Persons who wish to be advised of the submission of this material to the Attorney General, or who wish to receive a copy of the adopted rule, must submit the written request to the Minnesota Racing Commission at the address listed above.

Dated: 11 February 1987

Donald Price, Executive Director
Minnesota Racing Commission

Rules as Proposed

7869.0100 DEFINITIONS.

Subpart 1. to 50. [Unchanged.]

Subp. 51. **Race.** "Race" means a contest among horses for purse, stakes, premium, or wager for money, run in the presence of racing officials of the association and the commission. The following are categories of races:

A. to J. [Unchanged.]

~~K. "Quarter horse race" means a race on the flat at 870 yards or less.~~

~~L.~~ "Race on the flat" means a race over a course in which no jumps or other obstacles are placed.

~~M.~~ L. "Restricted race" means a race required pursuant to Minnesota Statutes, section 240.29.

~~N.~~ M. "Stakes race" or "sweepstakes race" means a race to which nominators of the engaged entries contribute to a purse, and to which money or any other award may be added. No overnight race, regardless of its conditions, may be deemed a stakes race.

~~O.~~ N. "Time trial" means a race against time for the purpose of establishing a performance record.

Subp. 52. to 69. [Unchanged.]

7870.0480 MEDICAL SERVICES.

A racetrack facility must provide the following medical facilities, equipment, and personnel:

A. a fully equipped first aid room with at least two beds;

B. a licensed physician and registered nurse on duty in the first aid room on all days during which horse racing is conducted; and

C. ~~a registered nurse on duty on all days during which the racetrack facility is open for exercising horses; and~~

~~D.~~ an ambulance for humans with necessary equipment and staff whenever the facility is open for racing or exercising horses.

7873.0130 PREVENTION TO START.

In a thoroughbred or quarter horse race, if the doors in front of a stall in a mechanically or electronically operated starting gate should fail to open simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start when the starter dispatches the field, the following shall apply:

A. If any horse is so prevented from starting, the entire amount in the win, place, and show pools wagered on that horse shall be promptly refunded unless the horse finishes first, second, or third, in which case the horse shall be considered a starter for all straight pools in which the horse earned a placing and a non-starter in all other straight pools. However, there shall be no refund if the horse is part of a coupled entry or field.

B. ~~In races on which multiple wagering is permitted, except on the second half of the daily double or pick six, if a horse is so prevented from starting, the entire amount wagered on any combination including that horse shall be promptly refunded.~~ If any horse is so prevented from starting, the entire amount in the exacta pool wagered on that horse shall be promptly refunded unless the horse finishes first or second, in which case the horse shall be considered a starter for the exacta pool in which the horse earned a placing. However, there shall be no refund if the horse is a part of a coupled entry or field.

C. [Unchanged.]

7873.0190 PICK SIX.

Subpart 1. to 5. [Unchanged.]

Subp. 6. **Calculation of pool.** The pick six pari-mutuel pool shall be calculated as follows:

A. and B. [Unchanged.]

C. Should no distribution be made pursuant to item A on the last day of the association's meeting, then the entire distributable pool and all money accumulated in the pool shall be distributed to the holders of tickets correctly designating the most winning selections of the six races comprising the pick six for that day. If, for any reason, the final day of racing is canceled ~~and~~ or the pick six pool has not been distributed, the pool shall be escrowed by the association, and the pool, as well as all accrued interest, shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date ~~of the same breed~~ as an additional net amount to be distributed.

Subp. 7. and 8. [Unchanged.]

Subp. 9. **Cancellation of race comprising pick six.** In the event one or more of the races comprising the pick six is canceled for any reason, or in the event one or more of the races comprising the pick six is declared as no contest by the stewards, 75 percent of the pari-mutuel pool shall not be distributed but shall be retained by the association as distributable amounts and shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed. The remaining 25 percent shall be distributed among the holders of pick six tickets which correctly designate the most official winners of the remaining races comprising the pick six. In the event of the cancellation of all six races comprising the pick six pool after wagering has been accepted on that day, a full and complete refund must be made of the pari-mutuel tickets sold on the pick six on that day. One hundred percent of the remaining amount in the pick six pari-mutuel pool shall be carried over and included in the pick six pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 10. [Unchanged.]

7873.0191 PICK THREE.

Subpart 1. **Scope.** The pick three pari-mutuel pool is not a parlay and has no connection with or relation to any other pari-mutuel pool conducted by the association, nor to any win, place, and show pool shown on the totalizator board, nor to the rules governing the distribution of such other pools.

Subp. 2. **Ticket is evidence of binding contract.** A pick three ticket shall be evidence of a binding contract between the holder of the ticket and the racing association and the ticket shall constitute an acceptance of the pick three provisions and rules.

Subp. 3. **Pick three may be given a distinctive name.** A pick three may be given a distinctive name to be selected by the association conducting these races, subject to the approval of the commission.

Subp. 4. **Pick three pool.** The pick three pari-mutuel pool consists of amounts contributed for a selection for win only in each

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of three races designated by the association with the approval of the commission. Each person purchasing a pick three ticket shall designate the winning horse in each of the three races comprising the pick three.

Subp. 5. **Coupled entries and fields.** Those horses constituting an entry of coupled horses or those horses coupled to constitute the mutuel field in a race comprising the pick three, shall race as a single wagering interest for the purpose of the pick three pari-mutuel pool calculations and payouts to the public. However, if any part of either an entry or the field racing as a single wagering interest is a starter in a race, the entry or the field selection shall remain as the designated selection to win in that race for the pick three calculation, and the selection shall not be deemed a scratch.

Subp. 6. **Calculation of pool.** The pick three pari-mutuel pool shall be calculated as follows:

A. One hundred percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed among the holders of pari-mutuel tickets which correctly designate the official winner in each of the three races comprising the pick three.

B. In the event no pari-mutuel ticket is sold combining the three winners of the pick three, 100 percent of the net amount in the pari-mutuel pool shall be distributed among the holders of pari-mutuel tickets which include the winners of two of the three races comprising the pick three.

C. In the event no pari-mutuel ticket is sold combining two winners of the pick three, 100 percent of the net amount in the pari-mutuel pool shall be distributed among holders of pari-mutuel tickets which include the winner of any one race comprising the pick three.

D. In the event no pari-mutuel ticket is sold that would require distribution of the pick three pool to a winner under this part, 100 percent of the net amount in the pick three pari-mutuel pool shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

E. If, for any reason, the final day of racing is canceled or the pick three pool has not been distributed, the pool shall be escrowed by the association, and the pool, as well as all accrued interest, shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 7. **Cancellation of races comprising pick three.** If for any reason one or two of the races comprising the pick three is canceled, the net amount of the pari-mutuel pool shall be distributed as provided in subpart 6, items B, C, and D.

If for any reason all of the races comprising the pick three are canceled, a full and complete refund must be made of the pari-mutuel tickets sold on the pick three on that day. One hundred percent of the remaining amount in the pick three pari-mutuel pool shall be carried over and included in the pick three pari-mutuel pool for the next succeeding racing date as an additional net amount to be distributed.

Subp. 8. **Actual favorite substituted for scratched horse.** In the event a pick three ticket designates a selection in any one or more of the races comprising the pick three and that selection is scratched, excused, or determined by the stewards to be a nonstarter in the race, the actual favorite, as evidenced by the amounts wagered in the win pool at the time of the start of the race, will be substituted for the nonstarting selection for all purposes, including pool calculations and payoffs.

Subp. 9. **Dead heats.** In the event of a dead heat for win between two or more horses in any pick three race, all the horses in the dead heat for win shall be considered as winning horses in the race for the purpose of calculating the pool.

Subp. 10. **No pick three ticket to be exchanged or canceled.** No pari-mutuel ticket for the pick three pool shall be sold, exchanged, or canceled after the time of the closing of wagering in the first of the three races comprising the pick three, except for refunds on pick three tickets as required by subpart 7, item B, and no person shall disclose the number of tickets sold in the pick three pool or the number or amount of tickets selecting winners of pick three races until the stewards have determined the last race comprising the pick three to be official.

Subp. 11. **Announcement of payoff prices.** After the second of the three races comprising the pick three has been declared official, an association may, with the approval of the commission, post possible payoff prices to the public before the start of the third race of the pick three.

7873.0195 DISTRIBUTION OF PICK SIX AND PICK THREE POOLS.

The commission may authorize the distribution or carry over of the pick six pool according to part 7873.0190, subpart 6 and the pick three pool according to part 7873.0191, subpart 6 on each final day of racing of a breed and on the final day of mixed breed racing within a race meeting. In determining whether to distribute or carry over the pick six and/or pick three pools, the commission must consider the type of breed racing, assignment of future racing days, and the best interest of racing.

In cases where a carry over would occur, the commission must designate what constitutes the next succeeding racing date to which the escrowed funds are to be carried over.

7876.0100 ON-TRACK STABLING.

Subpart 1. to 8. [Unchanged.]

Subp. 9. **Secure area.** The on-track stabling site is considered a secure area and only designated licensees are permitted within the confines of this area.

7877.0135 DUAL LICENSING.

In determining whether to issue more than one Class C license to an applicant, the commission shall consider the nature of the licenses sought or already held, and whether holding multiple licenses would be a conflict of interest.

A. A person licensed as a jockey, veterinarian, or farrier may not be licensed in another capacity.

B. No racing official may serve or act in ~~another~~ a nonofficial capacity at a race meeting at which he or she is licensed as an official.

C. In addition to the prohibitions of item B, a person licensed as an owner may not be licensed as a jockey agent, nor may any person licensed as a jockey agent be licensed as an owner.

D. No Class C licensee shall act in any capacity other than that for which he or she is licensed.

7877.0145 EMERGENCY LICENSE.

Subpart 1. [Unchanged.]

Subp. 2. **Owners.** If an owner is unable to complete an application for an owner's license because of absence or illness, the licensed trainer desiring to enter a horse in a race shall be permitted to apply for an emergency owner's license on behalf of the absent owner.

The trainer applying for an emergency owner's license on behalf of an absent owner must submit a notarized affidavit with the license application specifying the reasons the owner is unable to complete the application.

The trainer must, at the time of submission for an emergency owner's license, provide at least the following information: the owner's full name, home or business address, telephone number, and social security number. At the time of application, the appropriate licensing fee must be paid to the commission. Failure to provide all of the foregoing information is grounds for denial of an emergency owner's license.

~~Any emergency owner's license shall be valid for a maximum of 21 days from the date issued.~~ Within 21 days of the issuance of the emergency owner's license, the owner must submit a properly completed owner's application, fingerprint card, and fingerprint fee. Failure to provide the foregoing information is grounds for suspension of the emergency owner's license. In addition, if the required information is not submitted due to an act or omission on the part of the trainer, the trainer may also be subject to disciplinary action.

7877.0155 CONDITIONS PRECEDENT TO LICENSING.

Acceptance of a Class C license, including a temporary or emergency license, shall mean that the licensee consents and agrees to the following conditions:

A. to E. [Unchanged.]

F. The licensee will, upon request of the commission, the commission's director of security, or the stewards, provide a blood, breath, or urine sample for analysis if the duties of the licensee place him or her in a position of danger or he or she commits an act that endangers a horse or human.

G. and H. [Unchanged.]

7877.0170 DUTIES AND RESPONSIBILITIES OF CLASS C LICENSEES.

Subpart 1. **Owners.** Horse owners shall have the following responsibilities:

A. to D. [Unchanged.]

E. A ~~licensed owner may register a~~ stable name must be registered with the commission by filing an application on a form prescribed by the commission and paying a $50 annual fee. No person may use the real name of any owner of race horses as a stable

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name. ~~No stable name registration may be used for advertising purposes.~~ A stable name which has already been registered may not be registered by another owner.

(1) to (3) [Unchanged.]

Subp. 2. to 7. [Unchanged.]

Subp. 8. **Horsepersons' bookkeeper.** The horsepersons' bookkeeper shall:

A. be bonded;

B. receive all stakes, entrance money, jockeys' fees, drivers' fees, and purchase money in claiming races; ~~and~~

C. keep a complete and accurate record of all money received, and make those records available for inspection by the commission; and

D. not distribute any purse money to an individual with an emergency license.

Subp. 9. [Unchanged.]

7877.0180 CONFLICTS.

Subpart 1. and 2. [Unchanged.]

Subp. 3. **Owners, trainers, drivers, or jockeys.** No owner, trainer, driver, or jockey shall wager to win on any horse except his or her own in a race in which he or she competes.

7878.0100 DEFINITIONS.

Subpart 1. to 8. [Unchanged.]

Subp. 9. **First aid course.** "First aid course" means ~~any of the following officially recognized courses: Red Cross advanced first aid, emergency medical technician, or EMS first responder~~ the Red Cross Multi Media Course (Basic).

Subp. 10. and 11. [Unchanged.]

7878.0140 CONTINUING EDUCATION.

Subpart 1. **Licensee shall successfully complete refresher training.** No security officer's license may be renewed unless the licensee or his or her appointing authority furnishes the commission proof that the licensee has successfully completed, on an annual basis, at least ~~16~~ eight hours of refresher training in the areas of:

A. ~~physical protection~~ first aid;

B. ~~laws of arrest~~ security plan, policy, and procedure of the racing association; and

C. ~~constitutional law~~ cardiopulmonary resuscitation;

~~D. handling of citizen complaints;~~

~~E. security plan, policy, and procedure of the racing association; and~~

~~F. first aid~~.

Subp. 2. [Unchanged.]

7879.0100 QUALIFICATIONS AND APPOINTMENT OF STEWARDS.

Subpart 1. [Unchanged.]

Subp. 2. **Appointment and approval of stewards.** The following procedures must be observed in the appointment of stewards:

A. There shall be three stewards for each race meeting, at least two of whom shall be appointed by the commissioner ~~and one of whom shall be nominated by the association for approval by the commission~~. The third steward may be nominated by the association for approval by the commission if the commission determines that nomination by the association will be in the best interests of racing.

The commission must notify the association if it will accept an association's nomination for a steward. The name of the association nominee for steward must be submitted no later than 30 days before commencement of a race meeting and must be accompanied by biographical data setting forth the experience and qualifications of the nominee. ~~The association may submit successive nominees until one person is approved by the commission as qualified to serve as steward.~~ No steward may serve until approved by the commission.

B. [Unchanged.]

7883.0100 ENTRIES AND SUBSCRIPTIONS.

Subpart 1. to 15. [Unchanged.]

Subp. 15a. **Approval for blinkers.** No horse, to which blinkers will be added or removed, may be entered in any race without the prior written authorization of the starter. This authorization must accompany the entry. Error in this procedure may be corrected with the permission of the stewards at no later than scratch time.

Subp. 16. and 17. [Unchanged.]

7884.0230 RACING EQUIPMENT.

Subpart 1. and 2. [Unchanged.]

Subp. 3. **Helmets must be worn.** All persons must wear ~~an approved~~ a protective helmet approved by the Snell Foundation or the United States Department of Transportation with the chin strap properly fastened at all times when racing, jogging, training, or when warming-up a horse on the grounds of an association.

Subp. 4. to 7. [Unchanged.]

7890.0110 MEDICATIONS PROHIBITED.

No person shall administer or cause to be administered to a horse within 48 hours of a race in which it is scheduled to run any medication (except as permitted by part 7890.0100, subpart 13, items A to D) by injection, oral or topical administration, rectal infusion or suppository, or by inhalation and no horse participating in a race shall carry in its body any substance foreign to the natural horse.

7890.0120 REPORTING PROCEDURES.

Subpart 1. [Unchanged.]

Subp. 2. **Administration of Bute to be reported.** ~~The following procedures shall be observed when Bute is administered.~~

~~A. The administration of Bute to a horse entered to race must be reported to the commission veterinarian on a prescribed form by not later than 7:00 a.m. the day of the race.~~

~~B. Upon discontinuing the administration of Bute to a horse entered to race, the attending trainer must notify the commission veterinarian by 7:00 a.m. the day of the race.~~

~~C. If Bute is not detected in a test sample taken from a horse registered to use such substance, disciplinary action shall be initiated against the attending trainer and, if applicable, the assistant trainer or substitute trainer.~~ If a horse is to race with Bute in its system, the trainer shall be responsible for marking the information on the entry blank for each race in which the horse shall use Bute. Changes made after the time of entry must be submitted on the prescribed form to the commission veterinarian no later than scratch time.

7890.0150 DISCLOSURE OF APPROVED MEDICATIONS TO PUBLIC.

The names of all horses that have been ~~treated with Bute or~~ approved for race day use of Lasix* must be identified in the daily racing program. The names of all horses that have been treated with Bute shall be posted on the public information boards in the grandstand by the association by one hour before post time of the first race on the day such horses are to race. Horses that are racing for the first time using Lasix*, must be so identified in the daily racing program.

7895.0100 GENERAL PROVISIONS.

Subpart 1. to 6. [Unchanged.]

Subp. 7. **Horses leased from Minnesota residents ineligible.** Horses that are leased by Minnesota residents from non-Minnesota residents and are not Minnesota-bred or foaled, are ineligible to race as Minnesota-owned horses.

7897.0110 USE OF DRUGS AND ALCOHOL.

Subpart 1. **Drugs.** The commission, the commission's director of security, or the stewards may, at any time ~~after consultation with the track physician~~, require any licensee whose duties place him or her in a position of danger, or who commits an act that endangers a horse or human, to provide blood or urine samples for chemical analysis. If such a licensee fails to comply with this requirement, ~~said~~ the licensee shall be suspended and referred to the commission to show cause for refusing to do so.

Should ~~such~~ a licensee be found to have levels of any nonprescription, prohibited, or illegal drug, the licensee shall be subject to disciplinary action by the stewards and the commission.

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Subp. 2. [Unchanged.]

7897.0115 FAILURE TO APPEAR.

No licensee shall fail to appear in any court of competent jurisdiction on any criminal complaint, indictment, tab charge, citation, or bench warrant.

7897.0120 DISCIPLINARY SANCTIONS.

Subpart 1. **Licenses.** Any licensee engaging in any prohibited act as provided in parts 7897.0100 ~~and 7897.0110~~ to 7897.0115 is subject to license suspension or revocation, and/or the levying of a fine as provided in part 7897.0130.

Subp. 2. and 3. [Unchanged.]

7897.0130 SCHEDULE OF FINES.

Subpart 1. to 5. [Unchanged.]

Subp. 6. **Timetable for paying fines.** All fines imposed by the stewards or commission must be paid within 72 hours ~~upon receipt of a~~ of the date of the ruling imposing the fine. Failure to pay the fine within the required time is grounds for suspension.

7897.0150 DISCIPLINARY AND APPEAL PROCEDURES.

Subpart 1. to 4. [Unchanged.]

Subp. 5. **Stays of stewards' decisions.** An appeal of a stewards' decision will not automatically stay the decision. A party may request the executive ~~secretary~~ director to stay the decision. The executive ~~secretary~~ director may order a stay unless he or she determines that a stay would adversely affect the public welfare.

Subp. 6. **Procedure for appeal of decision of stewards.** Any affected party may appeal a decision of the stewards by filing with the executive ~~secretary~~ director a written request for ~~such~~ an appeal within three days, excluding Saturday, Sunday, and holidays, after the ~~stewards' decision is received~~ stewards have orally advised the affected party of the decision. The written request shall contain the following information:

A. to E. [Unchanged.]

Subp. 7. **Deposit shall be required.** The appellant shall deposit with the commission at the time of filing his or her written request for an appeal the sum of $50. The sum will be refunded by the commission upon the conclusion of the appeal unless the commission finds that the appeal was frivolous, in which case the $50 will be forfeited. In addition, if the commission determines that the appeal was commenced in bad faith for purposed of delay or was unreasonable and without substance or merit, the commission may impose a fine of not more than $450.

Subp. 8. and 9. [Unchanged.]

REPEALER. Minnesota Rules, part 7878.0120, subpart 3, is repealed.

ADOPTED RULES

The adoption of a rule becomes effective after the requirements of Minn. Stat. § 14.14-14.28 have been met and five working days after the rule is published in *State Register*, unless a later date is required by statutes or specified in the rule.

If an adopted rule is identical to its proposed form as previously published, a notice of adoption and a citation to its previous *State Register* publication will be printed.

If an adopted rule differs from its proposed form, language which has been deleted will be printed with strikeouts and new language will be underlined. The rule's previous *State Register* publication will be cited.

An emergency rule becomes effective five working days after the approval of the Attorney General as specified in Minn. Stat. § 14.33 and upon the approval of the Revisor of Statutes as specified in § 14.36. Notice of approval by the Attorney General will be published as soon as practicable, and the adopted emergency rule will be published in the manner provided for adopted rules under § 14.18.

Department of Labor and Industry

Adopted Permanent Rules Relating to Fair Labor and Child Labor Standards

The rules proposed and published at *State Register*, Volume 11, Number 18, pages 768-772, November 3, 1986 (11 S.R. 768) are adopted with the following modifications:

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed
Adoption of the Rule of the
Minnesota Racing Commission
Amending Existing Rules

FINDINGS OF FACT,
CONCLUSIONS AND
ORDER ADOPTING
RULE WITHOUT PUBLIC HEARING

Notice of the Minnesota Racing Commission's intent to adopt the above-entitled rule was published in the State Register on March 23, 1987 and was sent by United States Mail to all persons on the list maintained by the agency pursuant to Minnesota Statutes, sections 14.14, subdivision 1a and 14.22 on March 12, 1987. The statement of need and reasonableness was prepared before the notice of intent to adopt a rule without a public hearing was mailed to all persons on the rulemaking mailing list and published in the State Register and was available to the public.

All persons were given the opportunity to submit comment on the rule for 30 days after notice of proposed rulemaking. No requests for a public hearing on the rule were received by the Minnesota Racing Commission.

One comment on the rule was received by the Agency. No requests for notice of submission to the Attorney General were received.

Based on the comment received and the evidence in the record before the Minnesota Racing Commission, I find the following:

1. The above-captioned rule as proposed is needed and reasonable and supported by the rulemaking record.

2. On May 1, 1987, the Governor signed into law, Senate File 922, which increases the penalties that the Minnesota Racing Commission may impose on Class C license holders for violations of the Commission's rules. Pursuant to S.F. 422, the Commission's suspension authority is increased from 30 days to 90 days and its civil fine authority is increased from $500 to $2000. A suspension in excess of 90 days or a civil fine in excess of $2000 is a contested case under Minn. Stat. § 14.57 to 14.69 (1986).

The rule has been modified to include a directive to the revisor to change Minn. Rule 7897.0150, subp. 2 and 7897.0190, subp. 1, item C to reflect the fine and suspension provisions contained in Senate File 922, sections 1 and 2.

Thus, Minn. Rule 7897.0150, subp. 2 has been modified as follows:

> The stewards may suspend the license of the holder up to 90 days, and/or impose a fine of up to $2000 in accordance with the schedule of fines in part 7897.0120; or they may order any other appropriate disciplinary or corrective action.

Minn. Rule 7897.0190, subp. 1, item C has been modified as follows:

> The commission may take the following disciplinary action only after a contested case hearing held in accordance with the contested case procedures in Minnesota Statutes, chapter 14 and rules adopted pursuant thereto:
>
> A. revoke a Class A,B,C, or D license;
>
> B. suspend or fine a class A,B, or D license; and

C. suspend a Class C license for more than 90 days, and/or fine a Class C license in an amount exceeding $2000.

The modifications are necessary to eliminate the conflict between the fine and suspension periods in Senate File 922 and the current rule. The modifications are reasonable because they conform the rule to the language of the statute.

The rule, as modified, is not substantially different than the rule as originally published. The modified rule affects no classes of persons who could not have reasonably been expected to submit comments, nor does the rule go to new subject matter of significant substantive effect or make a major substantive change not raised by the original rule.

ORDER

NOW THEREFORE, IT IS ORDERED that these rules, identified as amendments to existing rules, are adopted this 13 day of May, 1987, pursuant to the authority vested in the Minnesota Racing Commission by Minn. Stat. § 240.23 (1986).

Donald R. Price

DONALD R. PRICE
Executive Director
Minnesota Racing Commission

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed Adoption of Rules of the Minnesota Racing Commission Amending Existing Rules.

DECLARATION OF COUNSEL

I, Mary B. Magnuson, Special Assistant Attorney General, do hereby declare that I have examined the above-captioned rule, and the supporting rulemaking record, and that, based on my examination, the Administrative Procedure Act and Minnesota Rules, chapter 2010 have been followed. For Attorney General billing purposes, the four-digit client code is 0733.

MARY B. MAGNUSON
Special Assistant
Attorney General

Dated: 5-13, 1987.

STATE OF MINNESOTA

MINNESOTA RACING COMMISSION

In the Matter of the Proposed
Adoption of Rules of the Minnesota
Racing Commission Governing
Amendments to Existing Rule

AFFIDAVIT OF
ADDITIONAL NOTICE

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Don Price, under oath states that:

Notice of the proposed rules was given on 3-12-87 to the following organizations who are not presently on the Racing Commission's mailing list for the purpose of receiving notice of the proposed adoption of rules.

HORSEMEN'S BENEVOLENT AND PROTECTIVE ASSOCIATION
MINNESOTA HARNESS RACING, INC.
U.S. TROTTING ASSOCIATION
THOROUGHBRED RACING AND PROTECTIVE BUREAU
MINNESOTA RACETRACK, INC.
NATIONAL ASSOCIATION OF STATE RACING COMMISSIONERS
CANTERBURY DOWNS

STATE OF MINNESOTA

Donald R. Price

DON PRICE
Executive Director

Marty -

attached please find the MRC Rule amendments + supporting documentation. You will note that the proposed rules are missing. Pursuant to the A.G. rules, this is not fatal to the review period. I will submit a copy tomorrow (unless Paul Marinac worked a miracle and got a copy to you today).

Please call if you notice any glaring problems.

Thanks

Mary Magnuson

Rule

See "as proposed" not all new material
2 marks on pg 8.

Notice -

The best I've seen in a long time

authority 240.23

Called for

Affidavit for notice of Intent
Revisor's certificate on proposed rule.